



# Review of Governance for Plymouth University

Final Report to the Board of Governors



March 2015





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## Introduction

The Board of Governors of Plymouth University commissioned this Governance Review from the Good Governance Institute (GGI) in November 2014, following a competitive tender exercise, the primary purpose of the review being:

**To assess the effectiveness of the University's governance processes, systems, culture and behaviours and recommend improvements with regard to governance best practice, nationally and internationally in higher education (HE) and other sectors.**

From the outset, GGI has adopted a forward-looking approach to this review designed to enable the University to focus in a positive way on achieving the key governance milestones contained in the action plan below.

The Good Governance Institute (GGI) carried out the review between late November 2014 and February 2015. We have been given open and unfettered access to Governors, the senior leadership team, Executive Deans, Heads of School, and have consulted widely with staff, 400 of whom took part in a confidential survey, many volunteering to take part in the four representative focus group sessions which were organised.

As part of a genuine iterative exercise, we have worked closely with the Board and senior team in developing recommendations (several of which have already been implemented), which is indicative of the positive change dynamic within the University.

The accumulated views and comments of staff, combined with evidence gathered from structured interviews and a detailed documentation review, underpin all of the recommendations below.

The University has many strengths, not least its dedicated and talented staff; a modern, fit-for-purpose estate; a supportive research culture and quality students.

The messages and recommendations in this report have resonance with the wider higher education sector. In a spirit of transparency and collegiality that has characterised this review, the University has placed this report in the public domain.

## Executive Summary

**The following recommendations are proposed arising out of this Governance Review:**

- R1** The visibility of governance information on the University's website needs to be enhanced to provide a governance link for the whole institution, thereby promoting greater awareness of governance structures and processes amongst staff and students (see Section 3.2)
- R2** The senior post of Academic Registrar or equivalent should be restored to provide enhanced academic good governance (see Section 3.3)
- R3** A thorough, open and transparent review of the role of the Academic Board should be undertaken in order that the University's 'academic voice' has a substantial input into strategic decision-making (see Section 3.4)
- R4** The Executive Deans and the Pro Vice-Chancellor (Teaching & Learning), together with the University Secretary and Clerk to the Board should become full members of the University Executive Group (UEG) (see Sections 3.5 and 3.16)
- R5** At least one member of the Academic Board should be elected to sit on the Board of Governors, thus restoring an academic governance link which is enshrined in the University's Instrument & Articles of Government. In addition, at least one member of the Professional Services staff should be elected to sit on the Board of Governors (see Section 3.6)
- R6** The Board should have a more visible and broad-based, diverse membership in accordance with the CUC Code of Governance (see Section 3.12)
- R7** A Senior Independent Governor should be appointed (as recommended in the UK Corporate Governance Code and as adopted as one of the principles in the Scottish Code) whose role, *inter alia*, is to be available to any governor, whether individually or collectively, should they have concerns, which contact through the normal channels of Chairman, Vice-Chancellor or University Secretary and Clerk to the Board, has failed to resolve or where such contact is inappropriate (see Section 3.15)
- R8** Annual appraisal reviews should be conducted for all Governors in addition to the Chair (see Sections 3.17)
- R9** The recruitment of a permanent Vice-Chancellor should be progressed from mid-2015, whilst at the same time governance structures are being strengthened and tested, and a period of stability is brought to the institution (see Section 3.17)
- R10** A review of governance relationships between the University and its partners should be conducted (see Section 3.20)
- R11** The institution's governance (including financial) needs to be made more robust, with clear, transparent protocols and schemes of delegation in place, understood by Governors, the Executive and wider institution (see Section 3.21)
- R12** The roles and responsibilities of the new expanded Executive team should be clarified, and there should be greater clarity with regard to the remits of institutional committees (see Section 3.23)
- R13** The Board should consider whether to re-locate part of the University Executive Group to accommodation at the core of the main campus when estates opportunities arise (see Section 3.25)
- R14** The senior leadership team should be more visible around the campus, engaging with staff and students, in order to restore trust and confidence (see Section 3.26). The Board should also consider convening in other parts of the campus
- R15** The University should formally review its Instrument & Articles of Government (see Section 4.1 vii)

# 1. Context of the Review

1.1 Founded in 1862, Plymouth University is rightly proud of its heritage, with a strong sense of place and civic responsibility. The University is the 15th largest in the UK with some 27,000 students, 3,000 staff and an annual turnover of c£200 million. Plymouth is the only Post-1992 institution to have a dental school and a medical school, which has recently been rated 13 out of 31 in terms of REF (December 2014) results.

1.2 The University's research culture is generally strong and expanding. The institution has a strong commitment to working with students as partners, and to the continued enhancement of the student experience. The University has styled itself for a number of years as the 'Enterprise University'.

1.3 The University, like all universities in England, is an independent corporate charitable body, being autonomous in directing its affairs. However, as Nolan<sup>2</sup> noted:

***"The exact counter-balance to autonomy is accountability"***

1.4 The University is accountable to HEFCE (and thereby Parliament) for the proper use of public funds under the new Financial Memorandum, which also requires institutions to demonstrate overall good and effective governance.

1.5 The trust and confidence issues between the Board of Governors, the Vice-Chancellor and the Executive in 2014 were mirrored by a breakdown in confidence in the Executive on the part of staff. This reflected concerns about structures, processes and behaviours. These concerns translated in to a lack of understanding of institutional governance and perceptions of a "top-down" culture, with minimal staff engagement. We were asked to address these issues in the context of this report.

1.6 As part of an initial institutional review ('Plymouth 2015') the University re-structured its Professional Services. The University has now initiated a further strategic review with the aim of clarifying, focusing and prioritising its Strategy 2020, developing an implementation plan to identify key deliverables.

1.7 The events of June – November 2014 have been stressful for staff, with a sense of uncertainty in the institution. This situation is being actively addressed by the Board of Governors under new Chairmanship, and by the Executive and senior leadership team, under the Interim Vice-Chancellor.

(1) The detailed Terms of Reference of the Governance Review are set out at Annex I.  
(2) The Report of the Committee on Standards in Public Life (Nolan Report), May 1996



## 2. Methodology and Process

- 2.1 GGI commenced work on site at the University within a week of being formally appointed, meeting with key individuals, including the Chairman, Interim Chief Executive (now Interim Vice-Chancellor and Chief Executive), the University Secretary and Clerk to the Board and the Head of Strategy & Performance. Regular weekly (or more frequent) project updates being provided to both the Review Manager and Head of Strategy & Performance, and also directly to the Interim Vice-Chancellor and Chairman.
- 2.2 At an early point in the review (3 December 2014), we observed a Board Away Day which was the first time the Governors, Executive, Pro Vice-Chancellors and Executive Deans of Faculty had met collectively since 2012. At the joint session, the process for the 360 degree reviews of both the Board and Executive were outlined and these were carried out during mid-December 2014, helping to inform one-to-one interviews with Governors and Executive team members. Ideally, the 360 process should have been a joint exercise between the Governors and Executive members, but we were advised that neither group were sufficiently familiar with one another for this to happen.
- 2.3 Shortly after our appointment, the University decided that the original schedule of interviews with key individuals (ie Governors, the Vice-Chancellor, Executive Team) should be broadened to include the Executive Deans, representatives from Schools and Departments and other individuals, and 24 interviews (some repeat) were carried out providing a useful backdrop and evidence base to recent events and perceptions on governance moving forward.
- 2.4 In parallel with the interview process, we conducted a thorough documentation review<sup>3</sup>, focusing as a priority on the Instrument & Articles of Government; the HEFCE review of governance and related correspondence; summary of Special Committee proceedings; agenda and minutes of the Board of Governors and major Board Committees going back for a full year, including the Nominations Committee; the Chief Executive's Group (formerly the Vice-Chancellor's Executive) agenda and minutes covering the same period; the Corporate Risk Register; the Strategic Plan (Strategy 2020); induction procedures for new Governors; Capita-commissioned Staff Survey (2013) and a report on Key Performance Indicators (January 2015).
- 2.5 Early in the programme, the Interim Vice-Chancellor recognised that the review should demonstrate the Executive's desire to engage with staff in the interests of openness and transparency. It became evident that there was a real willingness on the part of staff to be included in the review process. To meet this need, we devised a short staff survey in conjunction with the University and carried out a detailed analysis of an earlier staff survey (2013). It was agreed that a number of structured focus group sessions should be arranged. The staff survey, which received 400+ responses, generated over 100 offers from staff volunteering to participate in the focus groups.
- 2.6 A total of 4 focus group sessions with staff were held during January, one specifically with Staff Union representatives at the request of the University. Consistent and key messages from these sessions have been included in the body of this report.
- 2.7 We met with the HEFCE Head of Assurance in mid-January and in late February and received the Funding Council's perspective on recent events, which they were only formally alerted to in May 2014.
- 2.8 In accordance with the Review's terms of reference, we established an expert Advisory Panel, comprising Dame Sandra Burslem (former Vice-Chancellor of Manchester Metropolitan University and current Board member of HEFCW), as Chair; Kevin Clarke (former Secretary of Stirling University), and Ann Sutton (serving member on Council at the University of Kent). The Panel met formally on three occasions on 23 January and 11 and 25 February. The Panel's agreed Terms of Reference are attached at Annex II.

(3) Annex V sets out the full scope of the documentation review



### 3. Major Themes and Recommended Actions

#### Understanding and Perceptions of Governance

- 3.1 From our fieldwork, involving extensive interviews, staff survey results, focus group sessions (including academic and professional services staff of various grades), and stakeholder discussions, it has become evident that many staff (including senior post holders) do not understand the fundamental governance and decision-making structures of the University. There is confusion or ambiguity as to how the Board is constituted, how the Chairman is selected, what the relationship to the Vice-Chancellor is, the charitable status of the institution and the role of the Academic Board in terms of academic governance and decision-making powers.
- 3.2 We would **recommend** that the visibility of governance information on the University's website is reviewed to provide a governance link which encompasses all essential information such as the Instrument & Articles of Government, the current Board's constitution, the constitution of the Academic Board, the University's Primary Committee Structure and calendar of meetings, agenda and approved minutes of the Board and the Academic Board, the Scheme of Delegation for decision-making, the whistleblowing policy and any other documentation (including a statement on the institution's charitable status) that would assist understanding and knowledge of governance systems and processes. In addition, the role of the University Secretary and the secretariat function should be made more prominent. As in other institutions, information on governance structures should form an integral part of the staff induction process. The updated web pages should be widely promoted throughout the institution.
- 3.3 We have also identified a weakness in academic governance structures. The fact that the University does not have a professional Academic Registrar responsible for central Registry functions was commented upon by several senior academic staff. This has resulted in what is perceived as an 'ad hoc' approach whereby the Dean of Students or the PVC (Teaching & Learning), or others, are responsible for what are essentially mainstream Academic Registry functions. This situation can give rise to potential conflicts of interest, especially with regard to regulation and compliance issues and we would **recommend** that the institution carries out a review of its academic governance arrangements as a priority, and restore the senior post of Academic Registrar, or equivalent, to provide consistent and enhanced academic governance.

#### The Academic Voice

***"A strong Academic Board working jointly with the Governing Authority in areas such as strategy and resource allocation brings together the vital constituents of good governance in a university context"<sup>(4)</sup>***

- 3.4 We have welcomed and support the **recommendation** of the Interim Vice-Chancellor to undertake a thorough, open and transparent review of the role of the Academic Board in order that the University's 'academic voice' has a substantial input into strategic decision-making. Ultimately, the Board of Governors is the supreme decision-making body, but it does delegate its academic powers in relation to academic affairs to the Academic Board, which is chaired by the Vice-Chancellor.
- 3.5 The 'academic voice' (or academic staff representation, senior or otherwise) on decision-making bodies is under-represented. We have made **recommendations** to the Interim Vice-Chancellor with regard to accelerating his plan to include the Executive Deans and the Pro Vice-Chancellor (Teaching & Learning) on the University Executive Group.

- 3.6 We have also **recommended** that at least one member of the Academic Board should sit on the Board of Governors, thus restoring the academic governance link which is enshrined in the University's Instrument & Articles of Government (Section 4, Articles). We have noted that as part of a decision to reduce the overall size of the Board in November 2008, this important, formal link to the Academic Board was not retained when the last Academic Board member retired in July 2009. We would also **recommend** that the current vacancy for a Professional Services Governor should be filled as a priority.
- 3.7 We believe that periodic meetings between the Board of Governors and Academic Board members would also promote a better understanding of the University's teaching and research activity and feed into the strategic planning process, as would visits to Schools by serving Governors, which is an established and effective pattern of academic engagement adopted in the great majority of universities. However, at Plymouth in recent times, this has occurred only on an ad hoc basis and has not engaged all Governors.

### Board of Governors

***"Effectiveness requires high levels of engagement and individual responsibility and accountability, which is difficult to achieve with too many individuals in one room"<sup>5</sup>***

- 3.8 We have reviewed the current Instrument & Articles of Government which are consistent with the Statutory Instruments governing Post-1992 HEIs, but would recommend that they are reviewed specifically with regard to the provision relating to the Special Committee, which we believe is no longer a fit-for-purpose mechanism. We have carried out a detailed benchmarking exercise with 30 Post-1992 and older institutions with regard to their governing body constitutions and composition (ie independent, staff and student members). The common denominator for all of these institutions is that there is strong academic representation on their governing bodies. The average size of the Boards within our sample is 20 members. That said, we have also identified three universities (smaller than Plymouth) who are notable in that their governing bodies are between 12 and 16 in number, yet include academic staff and student representation.
- 3.9 For a small, fit-for-purpose Board to function effectively it must contain a well-calibrated mix of skills, knowledge and experience amongst its independent members, who must also be able to devote considerable time and energy to serving as a Governor (note: one of the institutions with a small governing body meets monthly, there being no other sub-committees other than those which are mandatory, ie Audit, Nominations and Remuneration. It is also noted that the Plymouth Board is currently meeting monthly). Whilst this places a heavy onus on Governors, the advantage of this model, is that the Board is fully engaged with all of the key issues that need to be addressed in a more timely and dynamic way. The disadvantage, is that Governors could begin to stray into operational detail which is the preserve of the executive: management manage; Governors govern, being a key maxim.
- 3.10 As early as 2003, the Lambert Report<sup>6</sup> recommended smaller university Boards between 12 and 18 members. Dearing<sup>7</sup> recommended that Boards should not exceed a maximum of 25 members. In discussions with the Chair of Governors and other Governors at Plymouth, we are aware of the desire to have a relatively small Board, and we believe this is a workable proposition, once new Governors, with an appropriate balance of skills, experience and diversity are recruited and appointed (see Annex III. Note: the Board will have 7 substantive independent member vacancies by July 2015).

(5) Report of the independent review of higher education governance in Wales, Op cit, p6

(6) Lambert, R. Lambert review of business university collaboration: final report, University of Illinois at Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research Reference in Entrepreneurship (2003)

(7) Dearing, R. et.al. Higher education in the learning society: Main report, Education England (1997)

## ***"The underlying principles of sound academic governance are based upon collegiality"<sup>8</sup>***

- 3.11 Looking at the international context, it is clear that the UK is generally regarded as having mature and democratic university governance structures and systems in place, which have been widely adopted, especially in Commonwealth nations. From our research we have observed that a number of Australian universities have recently been engaged in a review of their governance systems, largely reviewing the size and composition of their Boards. All institutions, however, have been careful to preserve a significant level of academic representation on their governing bodies. New Zealand institutions still have representation designated by the Government and have a very traditional governance model. In Canada, there is still a preponderance of large governing bodies (ie over 30 members). Some Dutch and Scandinavian universities are regarded as being innovative in their governance systems and protocols, with strong, democratic academic staff representation being a common practice.
- 3.12 The University has previously identified criteria for the selection and appointment of Governors in terms of the required skills base, but has not secured an appropriately diverse membership, despite having advertised vacancies publicly since 2008 and having an interview process for prospective Governors. Within both the CUC Code of Governance<sup>9</sup> and the Scottish HE Code<sup>10</sup>, strong guidance is provided for seeking to ensure a more visible, open and broad-based membership which we would **recommend**.
- 3.13 With regard to renewing and re-modelling the Board, whilst there was merit in co-opting (for a twelve month period) individuals who have been previously connected with the University, in order to strengthen a Board depleted over the past 12 months by resignations and retirements, there needs to be a review of the strategic plan with regard to the overall size of the Board. New Board members would be subject to a thorough and personalised induction process, as part of a wider development programme involving both new and current Governors.
- 3.14 As recommended by the CUC Code of Governance, the University has for some years advertised Board vacancies externally (although we accept this is not the only vehicle, for example, the staff body should be invited openly to nominate suitable individuals for consideration by the Nominations Committee, and business networks should also be used), but we acknowledge the difficulties in doing this in the immediate short-term. Succession planning and stability are key considerations for both the Board and the Executive. We note that the current Chair has indicated a willingness to continue in office until the middle of 2016 which will provide continuity and stability until a successor is identified.
- 3.15 We have welcomed and would **recommend** the recent decision of the Board to nominate a Senior Independent Governor (as recommended in the UK Corporate Governance Code<sup>11</sup> and as adopted by the Scottish HE Code) whose role is:
- to be available to any governor, whether individually or collectively, should they have concerns, which contact through the normal channels of Chairman, Vice-Chancellor or University Secretary and Clerk to the Board, has failed to resolve or where such contact is inappropriate
  - to lead an annual appraisal of the Chairman's performance, including an annual meeting of Independent Members (Non-Executive Directors) without the Chairman, as part of a process to be agreed with the Board (see also 3.19 below)
  - to liaise with the Board and the Vice-Chancellor about the Chairman's objectives, in consultation with him/her

(8) The Higher Education Code of Governance, Committee of University Chairs (CUC), December 2014

(9) The CUC Code Op cit

(10) The Scottish Code for Good HE Governance, Committee of Chairs of Scottish Higher Education Institutions, July 2013

(11) The UK Corporate Code, Financial Reporting Council, September 2014

- to meet regularly with Governors to listen to their views in order to develop a balanced understanding of their issues and concerns
- to become involved on any exceptional occasions when the Board of Governors has concerns about the performance of the Chairman or the Vice-Chancellor, or where the normal relationship between the Chairman and Vice-Chancellor has failed to resolve matters of concern

3.16 We **recommend** that urgent consideration should be given to restoring the current University Secretary/ Clerk to the Board's position as a member of the Executive team to provide an important link to the Board and to act as the 'conscience of governance'. Likewise, in accordance with guidance in both the CUC and Scottish HE Codes, we would **recommend** that consideration also be given to the University Secretary having a senior role within the institution.

***"Governing bodies need to adopt an approach of continuous improvement to governance, in order to enhance their own effectiveness"<sup>12</sup>***

3.17 We observed the Board of Governors meeting on 20 January 2014. As mentioned above, the Board is in the process of re-shaping its membership and better defining its primary decision-making role. We would **recommend** that a structured Board development and annual appraisal programme is designed to support this process. It is **recommended** that the recruitment of a permanent Vice-Chancellor be conducted in mid-2015 once governance structures have been strengthened and tested, and a period of stability is brought to the institution.

### **Governance Culture**

- 3.18 For Board decisions to be effective they must be supported by good quality and robust management information relating to quality and performance. From our detailed documentation review, we are of the view that both the Board and Executive are well-supported in terms of professional administrative staff and that briefing documents and reports are produced to a high standard. This has been maintained at a time when the wider operating environment has posed particular challenges, which are now being substantially addressed. This process will be strengthened by having greater visibility and connectivity related to the role of the University Secretary.
- 3.19 For governance to be effective, responsive and future-proofed, it must permeate the whole organisation. Governance does not just reside in the board room and the Vice-Chancellor's office. Good governance is about fairness, equity, inclusion, parameters, culture and behaviours. It is not simply about rules and bureaucracy, often seen as a necessary evil, although rules and codes of conduct must exist.
- 3.20 Governance between institutions is an important factor in the context of the University's partnerships (including FE colleges) and this is an additional area which we would **recommend** forms part of the on-going strategic review of partnerships which we understand has recently been discussed at Board level).
- 3.21 The Board needs to work closely with the Executive to clarify a sustainable and deliverable strategy for the institution, one that has ownership by stakeholders. We would **recommend** that governance (including financial) needs to be made more robust, with clear, transparent protocols and schemes of delegation in place, understood by Governors, the Executive and wider institution. To use an health & safety 'personal safety' analogy, each individual member of the University's community (students, staff, Governors), has an individual responsibility for promoting good governance and assurance.

- 3.22 The Board needs to be assured that such a governance and assurance framework (which it has approved and subjected to constructive challenge) exists, is clearly understood by staff and students and functions effectively at every level of the University. The proposed strengthened presence of academic representation on both the UEG and the Board itself is an important element in creating an assurance culture, essential for future success and institutional development.
- 3.23 We would **recommend** that the roles and responsibilities of the new expanded Executive team are clarified, and that there is greater clarity with regard to the remits of institutional committees, whose terms of reference should be reviewed.

### Trust and Confidence

***"Good governance requires more than the development of processes, since it is built on strong relationships, honest dialogue and mutual respect"<sup>13</sup>***

- 3.24 The re-building of staff trust is a major consideration for the University and this is openly accepted by the Board and Executive. Many positive messages have emerged from the staff survey, interviews and focus group conversations with staff, including a sense of pride in the institution, support for research, the teaching and learning environment, and the quality of students. However, there has been a perception of a culture for a number of years which has inhibited constructive challenge and debate (especially within academic fora), with the Executive sometimes being perceived as being detached.
- 3.25 We **recommend** that the Executive team, as estates opportunities arise, consider re-locating some of their members elsewhere on the main campus. This would send out a powerful signal to the wider institution that the leadership style and culture has changed. In the short-term, the two interim DVCs are already located in buildings other than Portland Villas, and UEG meetings could be held in other venues also. Whilst this may seem a relatively minor consideration, we believe the impact on staff perceptions (and behaviours) would be significant, and will help re-build a much needed sense of collegiality.
- 3.26 Arising out of consistent feedback received as part of the staff survey and during focus groups sessions with staff, we would strongly **recommend** that senior staff are seen to be more visible around the campus. Consideration should be given to recognising and celebrating staff successes.
- 3.27 All institutions have scope for improvement in terms of their communication systems, promoting a genuine two-way flow of information throughout the organisation. The decision to include the Executive Deans (and PVCs) as an integral part of the UEG sends a powerful signal to the academic community that the academic voice is being heard, which will restore much needed trust and confidence in the Board and senior leadership. This was a consistent comment made to us by staff during interviews and focus groups session.

## 4. Governance Lessons Learned

- 4.1 We have reviewed HEFCE's Assurance Review (June 2014) of the University, have interviewed key individuals and reviewed other relevant documentation. It is not the purpose of this review to comment on the detailed sequence of events in relation to the investigations involving the former Vice-Chancellor and former Chairman, nor the factors relating to issues of fundamental trust and confidence at the core of the University's governance structure.

However, we submit the following guiding principles and recommendations to ensure that such a situation will not repeated again at Plymouth University:

- i) No one individual is greater than the institution they serve;
- ii) Instinctively doing "the proper thing" should be a guiding tenet. The Nolan Principles of Public Life of Selflessness, Integrity, Openness, Honesty, Accountability, Objectivity and Leadership are the bedrock of good governance. We would also **recommend** the concept of 'Respect for Staff' (a precept underlying the Scottish HE Code in terms of treating staff fairly and with dignity), acknowledging the important role of staff stakeholders in the work of the Board. In addition, we would recommend the adoption of a 'Duty of Candour' principle<sup>14</sup>. The induction process for Governors should include specific reference to these principles;
- iii) The 'golden triangle' of Chairman, Vice-Chancellor and University Secretary/Clerk to the Board sits at the heart of effective institutional governance: if one side is fractured, good governance is endangered; if two sides are fractured, governance is in peril;
- iv) The University Secretary acts as the 'conscience of governance'. As the agent of the Board, the Secretary must be the first person to be consulted if the Board is contemplating taking any action which may lead to reputational risk, legal challenge or questions of judgement. The Secretary should be the only person who can seek independent legal advice on behalf of the Board, and should themselves be the source of objective professional advice and guidance;
- v) Where interpersonal relationships at Board level begin to be strained, the Senior Independent Governor, or possibly the Vice-Chair (in other institutions), should first consult with the University Secretary and seek to provide a mediation role to mitigate risk and potential reputational damage;
- vi) As a major stakeholder and Charity Commission Regulator for the HE Sector, HEFCE should be advised at the earliest possible opportunity by the University Secretary or the Senior Independent Governor, as appropriate, where an accountable officer's role is under potential investigation, or where there may be any situation which may give rise to reputational damage;
- vii) The Special Committee process, despite being part of the University's Instrument & Articles of Government (in common with other Post-1992 HEIs), was found to be not fit-for-purpose as a mechanism. We would recommend that the University should formally review its Instrument & Articles of Government.

(14) The Final Report of the Mid-Staffordshire NHS Trust Public Inquiry, February 2013



## 5. Governance Development Plan

Building on the 15 primary recommendations contained in this Report, the following Governance Development Plan and timeline has been devised to support the governance implementation process the University has begun to put in place:

<p><b>1 March 2015</b></p> <p>Expanded University Executive Group (UEG) to be formally established and operational, to include the Executive Deans, PVCs and University Secretary</p> <p><b>4 March 2015</b></p> <p>Governance Programme Implementation Group (1st meeting)</p> <p><b>18 March 2015</b></p> <p>Board of Governors to consider Final Report and recommendations (presentation by GGI)</p>	<p><b>March - May 2015</b></p> <p>Enhanced governance information on University web pages, to include the Instrument &amp; Articles of Government, agenda and approved Minutes of Board meetings, and a calendar of all Board and sub-committee meetings</p> <p>Dissemination of Report findings to University staff and student community and core stakeholders (eg alumni, community and business partners)</p> <p>Information sessions with staff and students on implementation programme</p> <p>Formal approval by the Board of draft amendments to the Instrument &amp; Articles of Government which will then require Privy Council approval.</p> <p>Terms of reference for the review of the Academic Board to be drawn up with timetable of actions (to include elected Academic Board representation on the Board of Governors)</p> <p>Consideration to be given to restoring the senior role of the Academic Registrar, or equivalent to promote improved academic governance</p> <p>Review of financial governance protocols</p> <p>External moderation and facilitation of progress by GGI and Advisory Panel against governance implementation plan</p> <p>Report presentation to key stakeholders groups</p>	<p><b>June – August 2015</b></p> <p>External recruitment process for the post of Vice-Chancellor</p> <p>New Governors appointed and inducted</p> <p>Possible physical re-location for UEG</p>	<p><b>September – December 2015</b></p> <p>Interview timetable for new Vice-Chancellor, to include staff and student participation</p> <p>Private meeting with Independent Governors (without the Chair present), convened by Senior Independent Governor (SIG)</p> <p>Appraisal of Chair by the Senior Independent Governor</p> <p>Appraisal by the Chair of all Governors (who have served for 6 months or more and excluding Co-opted Governors)</p> <p>Joint Board development event with Academic Board and UEG</p> <p>Review of governance between organisations in context of FE Partnerships review</p> <p>External moderation and facilitation of progress by GGI and Advisory Panel against governance implementation plan</p> <p>Further staff stakeholder survey and focus group sessions organised by GGI</p>
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## 6. Conclusion

The University is in a period of dynamic, positive change. This review process has been a genuine iterative exercise in that we have worked very closely with the Board and the senior leadership team in developing, and indeed, implementing core recommendations, such as expanding the University Executive Group to include the Pro Vice-Chancellors, Executive Deans and the University Secretary.

It is clear that the institution has been through a de-stabilising period. We have been impressed by the determination on the part of the Board and the senior team to move forward in a consultative, inclusive way, engaging with key stakeholders to restore trust and confidence in governance structures and systems. Following this period of intensive reflection and the embedding of our recommendations, we believe that the University will be stronger and more closely aligned to its core values and roots.

## Acknowledgements

GGI should like to thank the Chairman of the Board and his fellow Governors, the Interim Vice-Chancellor and his senior leadership team, including the University Secretary and the Head of Strategy & Performance, for ensuring that we were able to carry out this governance review with free and open access to key individuals and essential documentation.

We should also particularly wish to thank the expert Advisory Panel, chaired by Dame Sandra Burslem, for giving so freely of their time in support of this important external review. The Panel's thoughtful guidance and scrutiny has been invaluable.

Lastly, we should like to thank the University's staff for their considered views and comments, and for their obvious commitment to being part of an inclusive, forward-looking institution.

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## Annex I

### Plymouth University

#### GOVERNANCE REVIEW: TERMS OF REFERENCE

1. The purpose of the Review is to assess the effectiveness of the University's governance processes, systems, culture and behaviour and recommend improvements with regards to governance best practice, nationally and internationally, in higher education (HE) and other sectors.
2. The key aims of the Review are to:
  - address the recommendations arising from the HEFCE assurance reviews conducted earlier in 2014;
  - build on the University's most recent (Autumn/Spring 2013/14) internal review of governance;
  - consider the lessons learned from the recent investigations relating to the Vice-Chancellor and the previous Chairman;
  - evaluate the University's current governance structures, process, behaviours and culture against best practice in the higher education and other sectors; and
  - ensure the University's governance arrangements going forward are 'future-proofed' to the changes within the higher education sector.
3. We propose that the successful consultant will work with an Advisory Panel which we will appoint and who will be independent consisting of:
 

an ex-Vice-Chancellor  
an ex-Registrar/University Secretary/Clerk to the Board  
a current member of a higher education governing body
4. We would value views on this proposed model and how it would best work, along with any alternative models contractors would recommend.
5. The duration of the contract will be from November 2014 to February 2015.
6. The contractor's tasks will include the following with regards to considering ways in which the University can strengthen its governance practice, addressing specifically:

**Recent issues** (please note that confidential detail about the recent issues and processes adopted will be made available to the successful contractor – such detail is not available at the Fee Bid stage)

- the procedures adopted with regard to matters concerning the Vice-Chancellor and the decision-making processes around those issues, including the extent to which alternative approaches were considered
- the procedures adopted with regard to matters concerning the previous Chairman and the decision-making processes around those issues
- the role of the Chairman/Vice-Chairman/Special Committee/University Secretary and Clerk to the Board in these matters
- lessons learned

#### Review of the Instrument and Articles of Government

- the processes and protocols necessary to support the proposed revisions

### **Institutional governance: culture and process**

- the information flows between academic, executive and institutional governance
- the relationships within and between the Board of Governors, Board officers, the Vice-Chancellor and the executive more widely
- the interface between the Vice-Chancellor's Executive Group (VCE) and the Board and its committees
- the relationship and trust issues which arose between the executive and the Board and the development of a framework of principles focused on honesty, openness, constructive challenge and transparency between the Board and the executive and vice versa
- the support available to the Board and its committees and officers, including particularly the role of the University Secretary and Clerk to the Board
- the extent to which the Board and the executive evidence a shared commitment to effective governance
- the clarity of decision-making processes and authorities between the Board, the executive and relevant committees
- whether Board and executive committee structures are effective, appropriate and fit for purpose and consideration of alternative models as appropriate
- systems of delegation and reporting
- the quality of information presented to VCE and to the Board
- the Board's oversight of the composition and structure of management

### **Strategic development and performance monitoring**

- the means by, and extent to which, the Board owns the University's mission, vision and values, and is actively engaged in the development and approval of University strategy
- the effectiveness of the mechanisms by which the Board monitors and benchmarks the University's performance
- the effectiveness of the Board's oversight of the University's financial management and internal control
- the University's risk management policy and the processes in place for identifying and reviewing risks
- the extent to which appropriate and constructive challenge is offered and debated at Board and committee meetings
- how the University and the Board communicate with stakeholders both within and outside the University

### **Board membership**

- the recruitment and induction of new governors
- means by which the Board can increase the diversity of its membership
- the mix of skills and experience required by the Board in the context of the current institutional and sector-wide challenges
- governors' understanding of their roles and responsibilities as charity trustees
- the means by which the effectiveness of individual governors, Board officers, and the Board and its committees as a whole is reviewed
- succession and development plans

## Annex II

### Terms of Reference for an Independent Governance Review Advisory Panel

Advisory Panel has been established by the Board of Governors of the University as part of an independent external review of governance.

#### **Role and Scope**

The role of the Advisory Panel will be to work closely with the University's appointed specialist advisors in assessing the effectiveness of the University's governance processes, systems, culture and behaviour and to recommend improvements with regard to governance best practice, nationally and internationally, in higher education (HE) and other sectors.

In particular, the Advisory Panel will:

- a) act as an expert reference panel for the University's advisors in evaluating current governance structures, systems and protocols, benchmarking with other organisations, both within HE and outside the sector;
- b) work closely with the University's appointed advisors in considering HEFCE assurance reviews and internal governance reviews carried out by the University;
- c) receive a confidential report on the factors surrounding the recent investigations relating to the Vice-Chancellor and former Chairman, reflecting on major lessons learned for the University, endeavouring to ensure that such circumstances should never arise again;
- d) offer advice and expert guidance on the way in which the University's governance arrangements going forward can be 'future-proofed' as far as practicable in respect of the challenges (and opportunities) that face the University sector.

The Advisory Panel will have the authority to request information or evidence from any source within the University in exercise of its duties, as guided by the University's governance advisors.

#### **Process**

The Advisory Panel will meet during the period January to March 2015, a detailed schedule of meetings as part of the engagement with the University's governance advisors being confirmed at their first meeting. The independent Chair of the Advisory Panel will be a former University Vice-Chancellor.

Other Independent Advisory Panel members will include:

- a former University Registrar/Secretary/Clerk to the Board
- a current Board member of a higher education institution
- a current senior academic of a higher education institution

The Secretary to the Advisory Panel will be the University Secretary and Clerk to the Board.

#### **Responsibility of Members**

Members must act completely independently in the best interests of all University stakeholders, including staff and students, and should not represent any particular organisation or voice.

#### **Confidentiality and Official Information**

Advice provided by members of the Independent Advisory Panel will be treated in strictest confidence. Members will not disclose any confidential information or material provided to the Panel by either officers or advisors of the University.

The provisions of the Data Protection Act 1998 will apply without exception to the activities of the Advisory Panel. The Chair will be responsible for ensuring that members are aware of the provisions of the Act.

## Annex III

**PLYMOUTH  
UNIVERSITY**

Plymouth University

### BOARD OF GOVERNORS MEMBERSHIP (as at 31 January 2015)

James Brent	(Chairman)
Professor David Coslett	(Interim Vice-Chancellor and Chief Executive)
Sarah Bowman	(Student Governor)
Nick Buckland OBE**	
Professor Mark Cleary**	
Duncan Currall*	
Susan Davy**	
Kathryn Goddard	(Student Governor)
Professor Terence Lewis*	
Steve Pearce*	
Dr Ranulf Scarbrough*	
Margaret Schwarz*	(Vice-Chair)
Dr Mike Sheaff	(Academic Staff Governor)
Stephen Tillman*	
Henry Warren*	(Senior Independent Governor)
Professor Mary Watkins**	
Denis Wilkins*	

*\* Independent Members*

*\*\* Members co-opted for a twelve month period*

Jane Hopkinson – University Secretary/Clerk to the Board

**17 Members**

## Annex IV

Plymouth University

### **BOARD OF GOVERNORS**

#### **Vice-Chairman and Senior Independent Governor**

- 1 The Board has agreed the appointment of a Vice-Chairman and, independently, a Senior Independent Governor, to reflect the two distinct roles previously attached to that of the Vice-Chairman. The following job descriptions identify the separation of roles envisaged.

#### **Vice-Chairman**

- to provide appropriate advice and support for the Chairman
- on occasions when the Chairman is unable to discharge his office as Chairman as a result of potential conflict of interest or of unavoidable absence, to take on the role of Acting Chairman, and to chair meetings of the Board of Governors and relevant committees
- to support the Chairman in the fulfilment of his duties, including (without limitation):
  - o representing the Board or the University in circumstances where the Chairman would otherwise fulfil this role
  - o attending internal and external meetings as necessary
  - o maintaining relationships with Governors, both independent governors and staff/student governors
  - o representing the Board within the organisation and maintaining a positive profile with students, staff and wider stakeholders

#### **Senior Independent Governor**

- to be available to any governor, whether individually or collectively, should they have concerns which contact through the normal channels of Chairman, Vice-Chancellor or University Secretary and Clerk to the Board has failed to resolve or where such contact is inappropriate
- to lead an annual appraisal of the Chairman's performance, including an annual meeting of non-executive directors without the Chairman, as part of a process to be agreed with the Board
- to liaise with the Board and the Vice-Chancellor about the Chairman's objectives, in consultation with him/her
- to meet regularly with governors to listen to their views in order to develop a balanced understanding of their issues and concerns
- to become involved on any exceptional occasions when the Board of Governors has concerns about the performance of the Chairman or the Vice-Chancellor, or where the normal relationship between the Chairman and Vice-Chancellor has failed to resolve matters of concern



## Annex V

### Documentation Review

The following major documents were scrutinised as part of the Governance Review:

- i) University of Plymouth Higher Education Corporation Instrument & Articles of Government, 1993 and proposed revision, January 2015;
- ii) HFECE Assurance Reviews, February/March and July 2014;
- iii) Summary of Special Committee process;
- iv) Agenda and Minutes of the Board of Governors, November 2013 – February 2015;
- v) Agenda Minutes of the Nominations Committee, November 2013 – February 2015;
- vi) Agenda Minutes of the Finance Committee, November 2013 – February 2015;
- vii) Agenda Minutes of the Audit Committee, November 2013 – February 2015;
- viii) Agenda and Minutes of the Vice-Chancellor's Executive Group (now University Executive Group), November 2013 – February 2015;
- ix) Joint Board/Executive Development Day Papers (3 December 2014);
- x) Corporate Risk Register (updated February 2015);
- xi) Strategic Plan, 2020 (approved by the Board in November 2012);
- xii) Strategy 2020 Key Performance Indicator Report (February 2015);
- xiii) Whistleblowing Policy;
- xiv) Staff Survey (Capita-commissioned), 2013;
- xv) Induction Procedures for new Governors;
- xvi) Role Specification for 'Senior Independent Governor' (January 2015);
- xvii) Results of Board of Governors Effectiveness Review (2013/14);
- xviii) Results from 360 Degree Review Process (December 2014);
- xix) Confidential comments from GGI-conducted Staff Survey (December 2014);
- xx) Relevant contextual documents provided by individuals in confidence.



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