



## Governance Effectiveness Review – Progress Update, February 2022

### Background and context

David Newall, former Secretary to Court & Director of Administration at the University of Glasgow and current Chair of the Board of Management at Glasgow Clyde College, facilitated an external effectiveness review of the University Court in 2018/19. The report was approved by the University Court in February 2019 and is published in full on the University [website](#). The overall position of the report states: ‘In my view, the University’s approach to governance is impressive. There are many areas of excellent practice, the relevant legal requirements are satisfactorily addressed, and the University complies with the guidance provided in the Governance Code.’

The report covered five themes with areas of strength and points to consider for each theme. The themes are: People; Structures and Processes; Conduct of Business; Effectiveness and Continuous Improvement; and, Openness and Accountability. The People theme was highlighted as the most significant. The University Court agreed with the priority of the People theme when the report was approved in February 2019 and initial work has concentrated on this area. Subsequently, at its meeting on 29 November 2021 the University Court reviewed action taken and further suggested actions in responding to the report’s points to consider, as did the Nominations Committee at its meeting on 24 January 2022. The table below sets out action taken and intended future actions in response to the report’s points to consider, as at February 2022.

Theme	Points to consider	Action taken/Future action intended
People	<p>i) Court has some highly-skilled and experienced members. Succession planning for these key positions is something that should be addressed soon.</p> <p>ii) A general point I would make is that the quality of governance is affected first and foremost by the calibre of the people involved. It is important to apply the same rigour in filling lay Court positions as is done in making a senior executive appointment. Be specific about the</p>	<p>Action taken: succession planning has been a key focus for Nominations Committee since the report, with the Senior Lay Member, 5 new Co-opted members and 3 new General Council Assessors all since appointed or elected following recruitment exercises overseen by Nomination Committee. This has included the use of professional search agencies for the first time for Court positions, as is common practice for senior executive appointments, and the recruitment of a new Court member with senior property management and investment experience. Succession planning for the key committee convener positions has also been an important consideration for Nominations</p>

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	<p>skills and experience that are sought, make sure the interview panel includes specialists who can assess these skills, and make an appointment only if there is a suitably qualified candidate.</p> <p>iii) Given the scale of the University's estate and of the resources invested in it, I think it would be appropriate, when the opportunity arises, to appoint a Court member with expertise at a senior level in property management.</p>	<p>Committee and action taken has included new committee conveners shadowing/observing meetings before appointment when there were anticipated vacancies.</p>
Structures and Processes	<p>i) Court might commit to review its committees' terms of reference on a regular timescale, perhaps once every three years.</p>	<p>Action taken: all committee terms of reference were reviewed in 2019/20 for two purposes: to reflect the new categories of membership for Court with the new composition from 1 August 2020 and also, at the onset of the pandemic, to explicitly reference the ability for committees to meet virtually by videoconference, teleconference or other means. Audit &amp; Risk Committee also reviewed its terms of reference more fully in May 2021 and reported this to Court in June 2021 with an amendment arising to hold annual committee reviews approved. The Knowledge Strategy Committee terms of reference are also currently under review and the recommendations will be submitted to Court later this calendar year.</p> <p>Future action intended: each standing committee will review its own terms of reference and submit any recommended changes to Court but not on a fixed cycle of three years as it is may be more appropriate for some to do so more regularly than others (e.g. Audit &amp; Risk Committee have agreed to undertake an annual performance review) given the wide diversity in the work of the committees.</p>

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Structures and Processes	ii) Some parameters in the scheme of delegated authority could be revisited to reduce the number of items that require approval at a full meeting of Court.	Action taken: the delegated authority schedule is currently under review. This is partly to ensure that it will dovetail with the finance component of the People & Money system and partly to consider improvements from Court's perspective to reduce relatively small and more routine approval requests.
Conduct of Business	i) Court is large and is therefore not an easy forum in which to explore a complex issue, argue different viewpoints and come to a decision. As a result, it tends to be invited simply to note or to approve business. This can be frustrating for Court members, who want to add value and are afforded little scope to do so. It may sometimes be helpful to take major decisions to Court at an early formative stage, allowing governors input well before they are asked for final sign-off. Also, depending on the item of business, it may be possible to present Court with options from which it can make a choice.	Action taken: there has been additional focus on informally raising major items for decision at an earlier stage. The most recent example is the Edinburgh BioQuarter Health Innovation District Joint Venture where, ahead of a Court decision at the October 2021 meeting, tours of the site and a briefing on the project were offered to Court members during the summer along with early circulation of the draft paper to members of the Commercialisation Sub-Group for comment. Other examples include the Curriculum Transformation Programme, which was a seminar subject in February 2021 and has been raised at an early stage on a regular basis at Court meetings, as well as pre-Court briefings on the Annual Report and Accounts, which have been held for the last four years. On the final sentence: "depending on the item of business, it may be possible to present Court with options from which it can make a choice" the major initiatives of the sort that require Court approval tend not to be amenable to a menu of options approach beyond a 'go/no-go' decision point by the point at which they are ready for consideration by Court. Raising these at an early stage is also often not conducive to a menu of options approach but is better suited to ascertaining support and developing an approach to be subsequently worked up.

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Conduct of Business	ii) Court members should expect that, when an important matter is brought to them for decision, it will have first been considered by the executive management team. In looking at some items of Court business, I was concerned that the executive input was not visible. I think this reflects a former way of working and that the Principal is now insisting on executive input to all major Court decisions.	Action taken: this has changed significantly and major items for Court decision now have initial consideration and recommendation by the University Executive in almost all cases or have input through other means if not.
Conduct of Business	iii) My sense is that Court members could be more effective in the role of critical friends who ask tough questions of the executive. At Court on 3 December [2018], there were several items (for example; the financial statements, the staff survey and the Remuneration Committee report) on which Court might have been more challenging.	Action taken/Future action intended: for individual Court members to consider. Comment from the clerk to Court: from my experience of clerking Court meetings since 2015 I think that the level of constructive challenge is considerably greater now than in 2018, In addition, the December 2018 meeting was unusually quiet and not representative of that period.
Effectiveness and Continuous Improvement	i) The Annual Effectiveness Review feels like an act of compliance: something that has to be done each year, but with no expectation that it will lead to change. Court might decide to expand the remit of a re-named 'Governance and Nominations Committee' to give it a responsibility for promoting continuous improvement of governance. Each year, the Committee could consider what shape the effectiveness review might have. It might involve questionnaires as in the recent past. Or it might consider lessons learned from a recent item of	Action taken: Court has already effectively agreed that the Nominations Committee take on a governance role by tasking it in previous years to consider work to achieve compliance with different versions of the Governance Code and (a potential future action to be considered when the Nominations Committee's terms of reference are next reviewed) this could be formalised. It is worth noting that the annual effectiveness review is indeed an act of compliance as Court is expected to undertake an annual effectiveness review to comply with the Governance Code and part of such a review is an assessment of compliance with the Governance Code, which will necessarily be somewhat formulaic. However, the annual internal effectiveness review can and does

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	Court business. Or it might focus on an aspect of governance (such as the Appointments process, the Committee structure, or the suite of KPIs) and compare Edinburgh's practice with that of other universities. The important point would be to use the exercise in a constructive way.	go beyond this, as shown by the summary of the annual review discussions in this year's review.
Effectiveness and Continuous Improvement	ii) A high proportion of Court members are current students or staff, or former students. For many of them, Edinburgh will be the only university that they know well. In future recruitment Court might aim to appoint someone who has experience of governance in another high-performing university, in the UK or the US.	Action taken: while this has not been an explicit focus of the recruitment of new members, two of the new appointments made since 2020 served on the governing bodies of other high-performing UK universities and other new members have significant experience of other universities, including US universities such as Harvard University and New York University.
Effectiveness and Continuous Improvement	iii) I think Chairs (i.e. the Rector and the Committee Chairs) will appreciate receiving feedback on their effectiveness in chairing meetings. To some extent this may happen already as part of the annual discussion that takes place with each Court member. It may be helpful though if, in each case, the person meeting with the Chair is provided in advance with inputs from members of the relevant committee.	Action taken/Future action intended: this does feature as part of the annual discussion but not with feedback sought on this aspect from committee members or Court members – this will be planned for future annual discussions.
Openness and Accountability	i) Court might reflect on how information on Court business is made public. The HE Governance Code (para 45), while acknowledging there is sometimes a need for	Action taken: the Court minutes are now deliberately more expansive for this reason than in 2018. For example, the October 2018 minute is 6 pages while the October 2021 minute runs to 12 pages. The proportion of text within Court papers that is made

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	<p>confidentiality, nevertheless encourages universities to make Court papers widely available, in particular to staff and students. In reviewing the university website as a member of the public, I found it was often difficult to understand just what Court had been discussing. Minutes are provided in full, but they are concise rather than expansive. And the associated agenda papers are often made available in such an abbreviated state that they convey little information.</p>	<p>available to all students, staff and the wider public is comparable now to 2018, with around 40% of the page count published shortly after Court meetings plus later publication of finalised documents after this, e.g. the Annual Report and Accounts, Equality Monitoring Reports, Outcome Agreements, which mean that the majority of the page count is usually published within a month or two of the meeting.</p>