

## University of York - Governance Effectiveness Review

### Executive Summary, July 2021

#### Introduction

1. It has been a real pleasure to have conducted the Governance Effectiveness Review for the University of York. The University is on a very positive trajectory in relation to leadership and governance. It is in the middle of a critical change programme that is fundamentally reshaping the vision and structure of the University, it has also tackled the Covid-19 crisis well and we are pleased that the University has achieved 'leading edge' in a substantial majority of categories on the Halpin Governance Maturity Framework.

#### Methodology

2. A range of governance-related documents were reviewed along with the papers for Council and main committees over the last 12 months. There was a structured Survey of 22 Council members and 27 interviews with Council members and staff. There were observations of:
  - Audit and Risk Committee - 12 May 2021
  - Council Development Session - 25 May 2021
  - Council - 26 May 2021
  - Remuneration Committee - 27 May 2021
  - Equality, Diversity and Inclusion Committee - 10 June 2021
  - Student Life Committee - 17 June 2021
  - Senate - 06 July 2021
3. We captured some key comparability data for the nine institutions in the new benchmarking group adopted by the University's Council.
4. In the original terms of reference, it was noted that some aspects of the review would be led in-house by the University Secretary and his team e.g., Charter, Statutes and Ordinances, a full review of the scheme of delegation and other identified policy gaps. To demonstrate the integration of the whole project, we have touched on these issues at various points, and identified where those items are being brought to Council for approval.

#### Survey highlights

5. The main themes of the outcomes of the survey were:
6. The role of Council was well understood.
7. The culture of governance was described most frequently as 'open and transparent', professional and effective' and 'based on high levels of trust'.
8. Relationships were very open and relaxed. Members could question intelligently, debate constructively, challenge dispassionately in relation to any issues facing Council. There was a sense that it was truly collegiate.
9. The Executive members of Council are responsive to other Council members, and behaved with professionalism, appropriate independence, and mutual respect.
10. Lay members were sufficiently inducted and equipped for the role of Council member, but it was an area that needed to be worked on, partly because of the interruption caused by the

pandemic. In particular, and in certain cases, more could be done in the area of equipping for committee work.

11. Council was well equipped to make a positive contribution to strategy, and the monitoring of subsequent performance. We were able to witness a really effective Council session on the new Strategy which gave adequate opportunity for Council members to be involved in the detail.
12. Around 30% of members felt that the Council was too large, and this view was reflected in the trend in the benchmarking group of universities towards smaller Boards/Councils.
13. The University was trying hard with equality, diversity and inclusion, but that it was not really bearing fruit when it came to Black, Asian, and minority ethnic representation on the Council, and more work needed to be done in this area. We give particular examples of initiatives that can be taken in our report.
14. Student representatives have a steep learning curve when it comes to equipping themselves for serving on Council committees. We recommend that the University makes robust arrangements for sabbatical officers to receive an induction before attending committee meetings.
15. The relationship between Council and Senate was not well understood. We noted that the Council was about to go out to tender for a full review of Senate which hopefully will explore these issues in some depth.
16. The crucial component that gave the sense of unity in the Council was the outstanding relationship between the Chair, the Vice-Chancellor and President and the whole Council. This had improved dramatically since both their predecessors had left over the last couple of years or so.

## Some key issues

17. **Size of Council:** The Council last changed its size in 2005 when there was a reduction from 30 to 22 members. A huge amount has happened to UK Higher Education since then, and the rate of change that requires agility and capacity to make strategic decisions is likely to intensify in coming years. The majority of universities in the new benchmarking group have smaller Councils, and 30% of the York Council members suggested that the Council was too large.
18. Equally the case for the status quo can be made, particularly if greater efforts are made to clear the University of York agenda of a number of committee issues. Also, a reduction in numbers raises delicate issues about the ratios between the different representative groups of students, staff, and lay members. We provide an example with 18 members. At the very least, we believe that the Council should consider the options around the size of Council, to establish the broader view of when any change might be considered.
19. **On-going meetings of Council:** We would endorse the view that the majority of Council meetings return to face-to-face as we slowly come out of the Covid-19 pandemic, assuming that this is allowed by Government guidelines. We expect that Committees may continue with a hybrid existence.
20. **Terms of Office for lay Council members:** The current maximum 10-year term of 2+4+4 (the initial 2-year term being probationary) is not compliant with the CUC Code of

Governance, which recommends the choice of a total of 8 (4+4) or 9-year (3+3+3) terms. We recommend that this is resolved in the shorter term.

21. **Induction and on-going development of Council members:** The last couple of years have seen many new appointments on Council, but due to Covid, the arrangements for induction and ongoing development of members have inevitably been disrupted. It is important that quality time is found for sessions which identify the opportunity for catching up on key induction issues. We also feel that there should be discussion about how different styles of mentoring can be used to further the mutual understanding between staff, students, and Council members.
22. **Relationship between Audit & Risk Committee (ARC) and Finance Committee:** There needs to be a thorough assessment of the relationship between ARC and Finance Committee, mainly to clarify the distinction between financial risks and other risks. It should be a matter of course that ARC gives proper consideration to all Internal Audit reports, whatever their risk category. We know that work is underway on sorting out these relationships as is the introduction of 'deep dives' into specific risks that we strongly endorse. There is also a need to keep the Risk Report to Council as simple as possible.
23. **Equality, Diversity and Inclusion Committee:** We make a number of detailed comments on this area, including the workings of the Equality, Diversity and Inclusion Committee (EDIC). In order to increase the proportion of members from Black, Asian, minority ethnic communities, we recommend that specific targets for recruitment are suggested from this Committee. We also include in our report a checklist of actions aimed at achieving a more balanced profile of recruits in this area, and that, where successes are achieved, they are properly celebrated and promoted. We suggest that there is also a debate as to whether the term 'BAME' is used, as there is a growing view that it is good practice not to conflate these groups.
24. **Student Life Committee:** We are aware that the Student Life Committee is a joint Committee of both Senate and Council, but this may create ambiguity regarding impact and reporting. We believe that Council and the University should consider the reporting lines of the Committee which best reflect the governance of the University and ensure impact of its student representation.
25. **Senate and academic assurance:** We are pleased that Senate will be undergoing a thorough review of its purposes and a reappraisal of the duties of Senate sub-committees. Reflecting more widely on issues of academic assurance, we do believe such a review needs to explore the respective responsibilities of Council members and Senate members, and for a dialogue to take place about the ways Senate members might more effectively communicate to Council the key issues from Senate. It may also be helpful if lay members can take the opportunity to attend Senate from time to time.
26. **Skills mix of lay Council members:** We have noted that this has not been reviewed for a while and would suggest that it is reviewed (and updated as necessary) prior to the next recruitment to Council.
27. **The student and staff voice:** Great strides forward have been undertaken by way of student and staff engagement under the new Vice-Chancellor and President in areas such as the pension consultation and involvement in the Change programme. But it was expressed to us that the student body's understanding of the role of Council could be improved further, and some fresh initiatives to demonstrate the impact of Council on the experience of students would be helpful.

28. **Engagement with local stakeholders:** The Court constitutes a public forum for the orientation of university business and contributes to the University by acting as ambassadors and critical friends. Their voluntary efforts are much appreciated and make the University the vibrant community it is. But we do believe its role should be reviewed at some stage, if only to check that it is delivering the most useful outcomes.
29. **Refreshing the whole landscape of Council:** There are considerable possibilities for Council to reconsider which Committees have to report into Council, and - as the Effectiveness Review indicates - the number of directly reporting Committees could be reduced substantially. A number of universities in the new benchmarking group have gone for a streamlined corporate governance model of between 3-5 sub-committees of Council. York currently has 11, and we suggest a detailed piece of work to assess the current structure and make recommendations.
30. **The future - a more ambitious agenda for Council?** The next two or three years will see the full roll-out of the new Strategic Plan, and at the same time a number of key aspects of the HE sector landscape are likely to change - particularly in relation to fees, funding and relationship with FE. York must be agile in that fluid environment and have leadership and governance processes capable of responding to changes in that surrounding framework.

## Conclusions

31. The University of York is performing well. Strategically, the way forward has been clearly mapped out by the Chair and Vice-Chancellor and President, and in-depth discussions held right across the University and the main thrust of change approved. Its governance is in good shape and under the excellent stewardship of its University Secretary. On top of that, there are a number of relatively straightforward changes that can be made, and they are listed in this Report.
32. There are a number of relatively straightforward changes that can be made, and they are listed in Appendix 1 of the Report. The larger ones relating to the size of Council are more likely for longer term consideration, but the detailed proposals for reconfiguration of committees and their reporting relationships to Council could be implemented in the shorter term.
33. We have much enjoyed conducting this review of effectiveness and would like to thank the countless people to whom we have had easy access. We are very grateful to all those who contributed to the review, and particularly to Adam Dawkins and his team.
34. Our opinions are derived from the evidence base alongside our experience and judgments and are our responsibility. We act as independent consultants, and no pressure has been placed upon us to favour certain conclusions. We would be happy for this report to be published in the interest of transparency should the University so decide, provided it is published in full and not selectively quoted. And, as part of this review, we will be happy to undertake a review in six months' time to assess what progress has been made.

Ewart Wooldridge, Consulting Fellow

Tess Winther, Consulting Fellow

Shaun Horan, Joint CEO & Co-founder

## Appendix 1: Summary of recommendations and suggestions

As a result of our review of University of York, our findings for which are set out in the main report, we make the following recommendations and suggestions:

### Recommendations

R1	There should be Council recruitment targets for specific characteristics for disability, gender, and ethnicity.
R2	That the University and student body co-define student representation at University of York and this could include relationship/partnership agreement.
R3	Student representatives should receive a robust induction before attending committee meetings and ongoing development and support.
R4	The Council should have a formal debate in the next 12 months on the strength of the case for reducing its size below 22.
R5	The work on transparency is a crucial output of this Review, and we recommend that it is given priority.
R6	The terms of office of lay Council members should be resolved to bring them into line with the CUC Code of Practice
R7	A clearer distinction between the remits of Finance Committees and Audit & Risk needs to be drawn.
R8	That the University makes existing and future initiatives which impact their student and staff community more visible.
R9	That terminology used to describe shared characteristics of individuals and groups is further explored when used in papers, discussions, and data.
R10	That the reporting line of Student Life Committee is considered to ensure it best reflects the University governance structures and ensures the full impact of its student representation.
R11	That the University explores a consistent use of coversheets which include executive summaries and targeted questions and considerations which may guide discussion and help student representatives.
R12	A full review of the skills mix of Council has not been undertaken for a while and should be undertaken.
R13	A dialogue to be held with Senate representatives to explore how they might more effectively communicate to lay Council members what happens at Senate
R14	Council should undertake a thorough assessment of the roles and reporting relationships of all the Committees, with a view to reducing the number of Committees reporting into Council.

## Suggestions

S1	We suggest that Council reduce the use of the acronym 'BAME' and develop granular recruitments targets for Black, Asian, and minority ethnic, and other characteristics such as gender and disability.
S2	Council should develop a checklist of factors to be taken into account to establish a more balanced profile for Council membership.
S3	That the University explores ways to support student representatives.
S4	That the University offers representatives of YUSU and GSA training and development specific to Committee remits (e.g., Finance, Risk and EDI).
S5	Council papers should be even more concise.
S6	The updated 2020/21 Register of interests should be published on the web as soon as possible.
S7	At the first face-to-face Council meeting, there should be a diarised opportunity for Council to have a major catch up session on training and induction
S8	Council members should be encouraged to seek out fresh mentoring relationships with staff and students to enhance their understanding of what it is like to work and study at the University.
S9	Post-Covid, Council meetings should generally resume face to face, but with occasional exceptions; Committee meetings should be a blend of online and face to face.
S10	Audit and Risk Committee should discuss Internal Audit reports as a matter of course.
S11	An assessment to be undertaken of how 'deep dives' can be introduced as a regular occurrence.
S12	The practice of co-chairing, as seen on Student Life Committee, is explored at other levels of the University.
S13	That formal arrangements are made for annual meetings between the Chair of Council and Council members, with the University Secretariat supporting the Chair in addressing identified challenges.
S14	As relations with local stakeholders continue to grow, a review should be undertaken on the role of Court.