

Dumfries and Galloway College

Externally Facilitated Effectiveness Review

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FINAL REPORT



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1 INTRODUCTION

The Code of Good Governance for Scotland’s Colleges (the Code) sets out the principles of good governance for colleges in Scotland. This review is against the 2022 Edition of the Code.

All colleges that receive funding from the Scottish Funding Council or a regional strategic body must comply with the Code as a condition of grant. Each Board must state its adoption of the Code in its corporate governance statement contained within its annual financial statement.

The five principles set out in the Code provide a framework within which colleges are expected to develop their own policies and procedures.

The Code states that the college Board must have in place a robust self-evaluation process. Para D.24 states

‘The Board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three to five years’.

‘The Guide for Board Members in the College Sector’ and the ‘Board Development Framework’ provide additional guidance for college Board members and Governance Professionals.

Methodology

This external effectiveness review included several stages aimed at building up an overview of the Board’s effectiveness. The components of the review process were:

- Initial meeting with the Chair, Principal and Board Secretary to agree the scope of the review and the overall project plan 15.07.24
- Observation of the Board meeting on 01.10.24
- Desk review of core governance documentation, including Board papers, committee papers, Governance Manual, Strategic Plans, Internal and External Audit Reports and action plans
- Interviews with the
 - Chair
 - Principal
 - Governance Professional
 - Chair of Audit Committee
 - Senior Independent Member
 - Student Member
 - Staff Member
 - TU Member
 - Long-standing member
- Board survey to seek Members’ views of governing processes
- Board workshop to review conclusions and recommendations 19.11.24

2 EXECUTIVE SUMMARY

This is an effective Board which benefits from strong, insightful leadership from the Chair who has established a culture of respect, accountability and openness.

The college also benefits from a skilled and experienced Principal and a competent and highly effective Governance Professional.

The quality of the student experience is core to board discussions and there is ambition for student success. The college recently received a very positive report following the Education Scotland Annual Engagement Visit.

Since the last External Effectiveness Review (EER) in March 2021 there has been clear focus on improving the governance arrangements of the college.

External support was enlisted to work with the Chair, the Principal, and the Governance Professional to progress the recommendations in the 2021 EER Report. The 'Governance - Embedding Best Practice' workplan was developed drawing on best practice from across the college sector in Scotland. The workplan has now been successfully implemented. This has been a significant achievement, and reflects the huge effort invested in this work, especially on behalf of the Governance Professional. The result has been a transformational and positive impact on the governance of the college.

The governance of Dumfries and Galloway College is effective, robust, and demonstrates best practice in every aspect of college governance. There is a clear alignment with the requirements of the Code of Good Governance for Scotland's Colleges (the Code) with a 'Code of Good Governance Checklist' which is reviewed by the Audit Committee before it is shared with the Board. This provides valuable assurance to Board members.

This is a confident, dynamic, forward looking and committed Board which has a clear vision and is willing to innovate while balancing risk and opportunity.

There is an excellent range of skills and experience on the Board.

There has been some turnover in Board membership, with four new non-executive members plus new student members joining at the October Board meeting. Teamwork is a key element of effective governance so building the new Board 'team' has to be a priority.

3 EFFECTIVENESS REVIEW AGAINST THE CODE FOR GOOD GOVERNANCE IN SCOTLAND'S COLLEGES

3.1 Leadership and Strategy

The Board benefits from strong leadership from the Chair who has established a culture of open dialogue, honesty and respect and encourages challenge balanced with support to executive team. The Chair strives to get the best from members.

The relationship between the Chair, the Principal and the Governance professional is strong, and supports effective governance.

The Board determines the strategy, vision and values of the college. Mission 2030, the new college strategic plan, was discussed at the Board strategy event, which was held in May, and considered again at the June Board meeting.

Courage is a value which is highlighted in the strategic plan and is a value which is clearly embedded in the Board culture. Board discussions demonstrate courage through a willingness to tackle the most challenging issues. The Board is forward looking with an appetite for identifying upcoming challenges and developing strategies in response.

Key performance indicators are set out in the strategic plan, Mission 2030, and this is underpinned by more detailed KPIs for 2024/25. The Board receives regular performance reports setting out progress against each KPI.

The college works closely with regional and national partners to promote regional economic development and to improve the quality of life of those living in the region.

3.2 Quality of the Student Experience

The quality of the student experience is genuinely at the centre of Board discussions, and the Student Association Report sits high on the Board agenda.

Student members have the opportunity to meet with the Chair on a regular basis to discuss board business.

Inevitably discussions at Board meetings are focussing increasingly on scenario planning and financial sustainability. However, more detailed discussions on the student experience take place at the Learning and Teaching Committee which provides assurance to the Board on the quality and inclusivity of the student experience.

The college received a very positive report from the Education Scotland Annual Engagement Visit, which highlighted a significant increase in successful completion rates for learners on all modes of study in the year 2022/23.

For the 2024/25 session there is a plan in place to improve the support for new student members of the Board which includes mentoring support provided by a member of the Learning and Teaching Committee.

3.3 Board Accountability

The Board is accountable to SFC for the delivery of the outcome agreement. Performance against agreed objectives is considered by the Learning and Teaching Committee before being submitted to the Board as part of the Performance Report.

The Code of Good Governance Checklist provides assurance to the Board that the governance arrangements of the college are compliant with the Code.

The 'Board of Management Articles of Governance and Governance Manual' is comprehensive and includes Committee Terms of Reference which are reviewed and approved on an annual basis.

The committee structure works well, and committee membership is carefully planned by the Board Development Committee.

Committees are responsible for more in depth scrutiny and provide assurance to the Board. Committee Chairs provide a written report to the full Board highlighting key issues for Board attention.

The introduction of the HR Sub Committee with responsibility for HR, Organisational Development and Transformation has enabled a greater focus on staff governance.

Board decision making is transparent, well informed and rigorous. Board papers are high quality and support strategic decision making. A Board of Management Action Log tracks progress against agreed actions.

Risks are well managed, and balance risk and opportunity. Specific risks are delegated to committees to review, and the Audit Committee reviews high level risks before the risk register is submitted to the board for consideration and approval. The Audit Committee also conducts deep dives on specific risks. Risk management training was provided for board members immediately before the October 2024 meeting

Financial sustainability is core to board discussions and is discussed on an ongoing basis at board meetings.

3.4 Board Effectiveness

This is an effective Board with robust governance arrangements in place.

The Chair provides effective leadership, encouraging effective contribution from all members, establishing a culture of constructive challenge balanced with support to the Principal and the executive team and promoting effective team working.

Board members have an excellent range of skills and experience and understand their role and responsibilities.

Board papers are high quality and support strategic decision making by the Board. Decisions are made in the spirit of collective responsibility.

The Board Development Committee is responsible for succession planning, including committee membership, reviewing the Board Development Plan and monitoring progress against the plan. The Board Development Action plan is aligned to the five Principles in the Code of Good Governance.

Four new members have recently been recruited. As part of the recruitment process the Board Development Committee identified the skills and experience required to fill identified skills gaps on the Board.

New members receive comprehensive induction training.

The relationship between the Board and the executive team has matured and there is an appropriate level of trust in the executive on behalf of the Board.

The Principals objectives were reviewed and approved by the Remuneration Committee before being approved by the full board at the June 2024 meeting.

Given the number of new Board members, and further recruitment taking place over this session, it is important to keep building the new board team.

3.5 Relationships and Collaboration

The importance of working in partnership to secure coherent provision of high-quality education for the region is understood by the Board.

The strategic planning process involved stakeholder engagement and the Chair, and the Principal engage with local and national partners on a regular basis.

There is good use of the wider governance space, with time allocated before Board meeting to engage with external stakeholders.

4 RECOMMENDATIONS

The 'Governance - Embedding Best Practice' workplan was developed drawing on best practice from across the college sector in Scotland. Recommendations were clustered under fifteen headings.

The workplan has now been successfully implemented, and the result has been a transformational impact on the governance of the college. The governance of the college is now effective, robust and accountable.

Given the improvements that have been achieved, there is only one recommendation from this review

1. Given the number of new members, and more to be recruited over the coming year, building the new Board team should be a priority. This requires careful planning, and consideration should be given to including this in the Board Development Plan.
 - building the confidence of newer members, encouraging them to have a voice and use their skills and experience to provide constructive challenge and support
 - enabling newer members to develop their understanding of the sector and the current challenges
 - creating space for members to get to know each other and build effective working relationships

5 ANNEX 1

5.1 Document Review

1. Article of Governance and Governance Manual, including
 - Statutory and Regulatory Responsibilities
 - Standing Orders
 - Scheme of Delegation
 - Board and Committee Terms of Reference
2. Financial Statements July 2023
3. Annual internal audit report and opinion – Year ended 31 July 2023
4. Board agenda and papers June 2024 and October 2024
5. Audit Committee Annual Report 2022.23
6. Risk Register
7. Board Self Evaluation 2024
8. Board Development Plan 2024.25
9. Governance Calendar 2024.25
10. Mission 2030 – Dumfries and Galloway College Strategic Plan

Footnote

The reviewer would like to thank the Board Chair, Principal, Members, and the Governance Professional for their assistance and insight with this external effectiveness review.