

## **GOVERNANCE SELF ASSESSMENT REPORT 2016-17**

### **Executive Summary - Demonstrating Excellence:**

This report seeks to highlight the strengths and any areas for development of the Grŵp Llandrillo Menai Governance structure and approach. It concludes that Governance within the Grŵp is maintained to a very high standard. From the evidence detailed in this report, it is clear that Grŵp Llandrillo Menai has a keen, challenging and supportive Board of Governors who hold an unswerving faith in the value of education and who play an active role in ensuring that the Grŵp remains one of the leaders in the UK for quality, effectiveness and good practice in 14-19 education, apprenticeships, employer based and Higher Education. Governors have a clear understanding of their role and are very actively involved in planning the Grŵp's future.

### **Our highlights:**

- Strong and meaningful Board involvement in strategic planning and vision
  - Regular Review of mission and institutional plan
  - Board promotes strong links with industry and local employers
  - Excellent management of physical resources with a concentration on development and reinvestment
  - Incorporation of Risk and Safety, Health & Environment issues within the committee system, firm embedding of Risk Policy and scheduled review of financial forecasts
  - Board presented with regular clear financial data and appropriately summarised operational information which facilitates and promotes appropriate challenge to the SPH team
  - Detailed scrutiny of quality within the Curriculum, Students and Standards Committee
  - Systematic approach to monitoring of Grŵp policies
  - Entire SPH team invited (as observers) to Board meetings, promoting transparency
  - Eight Local College Councils to promote local ownership to businesses and a wider stakeholder group, each chaired by a Board Member.
  - An appropriate range of skills and expertise on Corporation Board and College Councils representing the widest possible range of stakeholders
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- Sector leading results in audit and governance related issues
  - Clear understanding of roles by Corporation Board members
  - Board exemplifies compliance with the FE Governance Good Practice Code
  - Fully bilingual Board meetings & papers
  - Regular assessment of Governors' own skills
  - Effective training regime in place for Governors from induction through regular governor development sessions at Board meetings
  - Established lean committee structure with regular meetings, Papers issued 100%, on time, detailed draft minutes issued to Chair within 1-2 days of meeting with clearly identified resolutions
  - All attendance appropriately monitored
  - Excellent and regular support & attendance by Governors at numerous College based events
  - Condensed schedule of Corporation Board meetings available on website.
  - Full electronic minutes archive available from the Governance Officer.
  - Member's profiles, Registers of Interests on website.
  - Board serviced by a full-time professional and experienced Governance Officer / Company Secretary, who Chairs the ColegauCymru Clerks' National Network for Wales (since 2009)

**Introduction:**

Grŵp Llandrillo Menai's Board was formed on the merger of Coleg Llandrillo and Coleg Menai on April 1st, 2012, subsequent to Coleg Llandrillo's merger with Coleg Meirion Dwyfor in April 2010. The Board has acknowledged the freedoms and requirements afforded by the Further and Higher Education (Governance and Information) (Wales) Act, and is fully compliant with current legislation (2006 Revision of Instrument and Articles of Government). The Board has resolved to reduce total numbers to 18 from 20 over time from 2016.

In 2012, Grŵp Llandrillo Menai won the ColegauCymru Award for Governance, sponsored by TRIBAL, which was based on a "Blueprint for the new merged Corporation Board" which spearheaded a combined College Council structure. The Grŵp has continued to build on this success, and now has a proven track record of success.

**1. Governors effectively oversee the College's strategic direction:**

Governors of Grŵp Llandrillo Menai play a key role in developing the strategic vision for the future of the Grŵp. The Strategic Plan 2015-18, setting out the Mission Statement and four key strategic priorities of the Grŵp was endorsed by the Board following consultation with Governors through its Committee System and via specific strategic planning events. The Board continually monitors progress of its financial and strategic objectives throughout the year. The Board reviews the Welsh Minister's strategic initiatives and engages closely to enable the Grŵp to fulfil these.

**2. Governors regularly monitor the Grŵp's and their own performance:**

All new Governors are asked to acknowledge a copy of the Instrument and Articles of Government and Standing Orders on appointment. All Governors are also issued periodically with a review document to sign to confirm a declaration of their eligibility to serve, adherence to the Good Governance Code for FE Colleges in Wales, any related interests, any gifts received, a skills appraisal and any areas for potential training.

The Board comprises a range of employer and business members as well as staff and student representatives and the CEO. The Board meets four times a year and has four formal sub-committees: The Audit & Risk Committee, Curriculum Staff and Students Committee, Chairs' Committee, and Finance and Resources Committee. In addition, an independent Safety, Health & Environment Committee reports to the Board and is chaired by the CEO. Constitution of both statutory Reporting and Special Committees is facilitated as and when required. The Board can opt to form specialist project monitoring panels to oversee larger capital estates projects as required. The Chairs' Committee acts as a point of reference for strategy, urgent general business as necessary, search, remuneration, governance, and plus associated risk referral to the Audit and Risk Committee.

A formal process has been established to set objectives to monitor the performance for Senior Post Holders through appraisal and this process is reviewed through the Chairs' Committee. There is a systematic approach to the monitoring of College policies, and the Board regularly receives new and updated policies for review and sanction.

Governance at Llandrillo received a Grade 1 in last Estyn Inspection (January 2007). Estyn's Quality and standards in education and training in Wales report on the quality of work based learning and the Department for Work and Pensions funded training programmes in January 2007 concluded that:

*"The College's governing body effectively supports the Principal in setting the strategic direction of the College. Corporation Board Members are closely involved in the college's strategic planning, and in monitoring the college's progress towards meeting targets. Governors receive regular and frequent reports on aspects of the work-based learning provision. Governors regularly challenge the Principal and Managers.*

*The Governing body also undertakes its own comprehensive self-assessment, to help members improve their performance as Governors."*

The spirit of this statement is solidly embedded within the Grŵp Board, which demonstrates strong continuity in both its administration and operation, now benefitting from the collective experience of members garnered through two mergers and membership turnover.

### **3. Governors attend meetings regularly:**

An attendance sheet is signed at each meeting and a record of this attendance is presented at the beginning of each set of minutes. Governors' attendance at Board and Committees for the year 2015-16 was pleasingly high and is averaged for the year as follows:

- Board – 77%
- Curriculum, Students and Standards committee – 75%
- Finance and Resources Committee – 76%
- Audit and Risk Committee – 85%
- Chairs' Committee – 86%

There were no occasions where meetings were inquorate.

According to the Grŵp's Standing Orders, Governors are ideally expected to attend at least 80% of meetings. Understandably, there have been occurrences where certain Governors were unable to attend 80% of meetings; however, valid reasons for non-attendance were received for the absences.

### **4. Governors meet their statutory responsibilities for finance, health and safety:**

The Audit & Risk Committee meets four times a year with the Grŵp's internal and external auditors present. The Committee considers the annual programme of the internal auditors and provides an independent assessment of chosen aspects of the College's systems of internal control. Each meeting of the Audit & Risk Committee is preceded by a private session without management present to allow any arising issues to be exchanged with Governors frankly. The Grŵp employs Price Waterhouse-Coopers as external auditor and RSM continue their work as internal auditor.

The Finance and Resources Committee meets four times per year and reviews the latest financial information forecasts at each of its meetings, making recommendations to the Corporation Board as appropriate. Agendas also feature a regular item on Estates and Risk. An independent Safety, Health & Environment Committee chaired by the CEO meets termly and reports directly into the Finance & Resources Committee. An annual report on Health and Safety issues is presented to the Corporation Board, detailing key objectives and performance. Minutes of the Safety, Health & Environment Committee are also issued to the Corporation Board. Health & Safety and Safeguarding are also standing items on the Board agenda. A Safeguarding Link Governor is in place. Prevent awareness and training had been provided all staff and Governors.

### **5. Committees have clear terms of reference and undertake business in a thorough and professional manner:**

Structure of Governing Body Committees:

Committee structure diagrams are available within a separate "Blueprint" document which specifies Terms of Reference for the Board and all committees. Detailed minutes are produced and issued to the Chair for draft approval usually within 1-2 days of a meeting taking place. A record is kept on the last page of each

set of minutes of when they were issued to the Chair and when finally approved. The Governance Officer minutes all the formal committees of the Board and the aforementioned Safety, Health & Environment Committee, plus any panel meetings as they are formed to ensure a consistent standard and comprehensive record of proceedings and a practicable flow of information. Risk recognition is embedded and evident in every committee.

Terms of Reference:

A review of the Terms of Reference for each committee, by each committee is carried out annually during the Autumn Term. Most Governors are members of at least one governing body committee. All committee minutes are submitted to the Corporation Board and their recommendations are clearly highlighted in the agenda for ease of reference. All minutes are very comprehensive and resolutions are clearly marked for Board approval.

## **6. Composition:**

The Grŵp Board benefits from a wealth of expertise. Dr Roy Bichan, Chair, is a Fellow of Glyndŵr University, a former CBI Chair, Fellow of the Royal Academy of Engineers, Chair of North Wales Business Council, and Vice Chair of the Economic Ambition Board for North Wales, whilst also acting as a business champion having followed a distinguished geological engineering career. Dr Griff Jones is Vice-Chair of the Corporation Board and Chairs the Coleg Menai Local College Council. Dr Jones is retired having worked as a Senior Manager in the petrochemicals industry, and is a member of the Bangor University Audit Committee. Dilwyn Evans, an Oxford graduate with a strong retail, and engineering background chairs the Finance & Resources Committee. Leading the Audit & Risk Committee is David Williams who is a retired HSBC banking expert, who also acts as Honorary Treasurer and is Vice Chair of Bangor University. The remainder of Board members hold expertise in business, audit, manufacturing, legal, accountancy, energy, education, agriculture, health, tourism and hospitality fields and serve on appropriate committees and College Councils. An elected Grŵp HE Officer and one of three College Student Union President's (with the highest number of votes) becomes members of the Corporation Board. Two staff representatives in addition are elected every four years.

## **7. Local College Councils:**

To preserve local representation and to foster relationships with business on a specialized basis, each of the seven main campuses operates a Local College Council, each chaired by a Board member. Councils concentrate business and local interests through a congregation of select area representatives allowing matters to be aired, specific to each campus of the colleges operation, providing for local participation and integration with the business community. The findings and recommendations of all the Councils are fed to the full Corporation Board for consideration, and consequently Board issues are relayed appropriately by each Chair acting as a "link" Governor. Local College Council meetings are serviced by the Grŵp's Clerking Officer.

## **8. Suitable Clerking arrangements:**

The Governance Officer commenced full time duties in 2006 having spent four years in local authority and ten years in FE previously. The GO acts as Designated Complaint Officer for the Grŵp, and FOI Officer, both roles which maintain suitable independence. The GO is Company Secretary to two companies owned by the Grŵp, namely Cwmni Prentis Menai and ColsolWales Limited, and has been Chair of the ColegauCymru National Governance Network for 7 years. The GO is charged with keeping the Grŵp at the forefront of FE Governance at a national level having had a persistent involvement with Welsh Government national review panels which have helped to shape future Governance in Wales.

The Clerking Officer was the former Clerk to the Corporation at Coleg Meirion Dwyfor from January 2008 until merger with Coleg Llandrillo in April 2010, and is now clerking the Grŵp's eight College Councils.

All meetings are accurately recorded, with information flow rationalized and streamlined effectively.

**9. Corporation meetings are purposeful and informative with sufficient time spent on strategic and operational issues:**

Board agendas are structured to reflect strategic and operational priorities. Close liaison takes place between the Chair, CEO and Governance Officer to arrive at the Board agenda. Appropriate comment and challenge by Governors is comprehensively recorded. Board meetings generally last up to 1.5 hours (the timing of the meetings is recorded in the minutes). The CEO produces a report to each meeting highlighting the headline priorities plus incremental performance against targets.

**10. Minutes of meetings are available to staff, students and the public:**

Chair approved/non-confidential copies of Board minutes are available through the Governance Officer, and agendas are provided on the college internet site for ease of reference to minutes. College Council meeting summaries are presented at each Board meeting for information and / or attention and are available on the Governance web page.

**11. Financial management is strong and effective:**

The Grŵp has an established and robust strategic planning process. This process ensures appropriate involvement of the Board of Governors, Executive, Senior Management Team and academic management groups in developing the Strategic Plan. The final strategic plan is approved by the Board of Governors which is then devolved into an operational plan. The Board monitors progress against each strategic objective, and each KPI during the year.

The College's budget and financial forecasts are developed in conjunction with the Strategic and Curriculum Plan. The Finance and Resources Committee recommends to the Governing Body the Grŵp's annual revenue and capital budgets and monitors performance in relation to those approved. Detailed Management Accounts with Forecasts are provided to budget holders, and are reviewed from differing perspectives by the Finance and Resources and Audit & Risk Committees. The Grŵp has established Financial Regulations and delegated levels of authority which provide a framework for financial control within the College.

The Audit & Risk Committee meets four times a year, with the Grŵp's internal and external auditors present as required. The Committee considers the annual internal audit schedule providing an independent assessment of all aspects of the Grŵp's systems of internal control. From time to time, the Committee is able to question and request audit reports from management on aspects of the Grŵp's internal control system. This Committee also considers reports from the internal and external auditors as well as relevant update reports monitoring the progress of management in implementing audit recommendations. A crucial aspect of the Committees work is also to monitor risk. Perhaps uniquely, each member is afforded direct access to the Grŵp's institutional Risk Register and each is able to monitor and interrogate risks to departmental level remotely at their leisure. A risk "Heat Map", Governance and Strategic levels risks are also regularly monitored and adjusted to reflect the prevailing circumstances.

**12. Communication of financial issues through the organisation:**

- Publication and distribution of Annual Report
- Annual General Meeting (February)
- Periodic address by CEO to whole College staff at various locations
- Availability of Corporation Board minutes through Governance Officer
- Staff development
- Distribution of Y Llais newsletter via email to Board and College Council members.

- Colegau Cymru training for new Governors on financial and other issues.

The internal auditor reported in 2015 that:

*“As a result of our review we can conclude that the high-level governance arrangements for monitoring the Grŵp’s risk management processes continue to be robust. This is clearly demonstrated through annual review of the Risk Management Policy and the examples of agendas, minutes and supporting papers for governor and management meetings we reviewed. We found that the risk registers continue to be updated, leading on from the refresh and transition of data onto the new 4Risk software. Taking account of the issues identified, the Corporation can take substantial assurance that the controls upon which the organisation relies to manage this area are suitably designed, consistently applied and operating effectively.”*

And in 2016

*To inform our governance opinion for 2015/16, we have taken into consideration the governance and oversight related elements of each of the assignment reviews undertaken as part of the 2015/16 internal audit plan. Furthermore, specific elements of the Grŵp’s governance arrangements were considered as part of our ‘Corporate Governance and Risk Management – Continual Assurance and High-Level and Challenge’ review, which resulted in a ‘substantial’ assurance opinion. Furthermore, our governance opinion is also informed by our attendance at meetings of the Audit and Risk Committee throughout the year, which also builds upon our cumulative knowledge of the Grŵp’s governance processes through coverage in previous years.*

### **13. Quality encompassed throughout the curriculum:**

Copious quality feedback reports are reviewed on a regular basis by the Curriculum, Students and Standards Committee which meets once per term. These reports are also made available to the Corporation Board. Views of students via a series of Learner Panels are considered along with customer complaints and responses. Results of a staff survey are also reviewed in depth by the Finance & Resources Committee.

### **14. Close and effective communication with management/other staff:**

100% of senior post holder appointments involve Governors. There is section on the Grŵp’s website and intranet, dedicated to the role of the Corporation Board, who its Governors are, listing the terms of reference and condensed minutes of the Corporation Board. Governors are encouraged to show a presence at numerous College events. Results of Staff and Student Surveys are presented to Corporation Board and College Councils on an annual basis. There are frequent occasions when Governors are given the opportunity to meet informally with senior staff, including an annual Board Dinner at Christmas time.

### **15. Governance Review Process:**

Twenty Governors were asked to complete a periodic Governance Review booklet, issued to all by the Governance Officer during April 2016. Assurances sought in the book are reviewed on an annual basis.

The booklet covers six areas namely:

1. Declaration of Eligibility
2. Adherence to the Good Governance Code
3. Declarations of Interest
4. Gifts
5. Skills Audit Update
6. Training Needs

All Governors were required to complete the booklet regardless of experience, paying particular attention to the declarations therein. Each Governor has received a copy of the Governance Code and each has signed to say they agree to accord with it. Information contained in the booklet provides a useful audit summary of entitlement, conduct and statutory duties with regard to declarations of interest at Board meetings.

**16. Declaration of Eligibility:**

All Governors declared their eligibility to serve as Governors of Grŵp Llandrillo Menai as part of the general acceptance of the document.

**17. Declaration of Interests:**

All Governors have completed this section of the booklet and listed their interest in a statutory Register of Governor's Interests.

**18. Code of Conduct for Corporation Members:**

The Board has collectively accepted to accord by the Principles of the FE Good Governance Code.

**19. Gifts:**

All members have made a declaration of any specific gifts received in conjunction with their role as Governor (this does not extend to hospitality received).

**20. Governors' Self-Assessed Skills Confidence:**

A skills confidence questionnaire was completed by 18 of 20 members of the Corporation and as a result, percentages within the results have been based on 18 responses (student submissions remain).

Skills confidence was evaluated via a "percentage confidence rating", with higher than average confidence levels highlighted in green and below average in red. See Appendix 1 at the rear of this report for full data and statistics.

- 20.1 The majority of Governors (65%) are educated to degree level with 45% having a post graduate qualification and 15% holding a teaching qualification.
- 20.2 40% of Governors are retired or unwaged.
- 20.3 90% of Governors live within the College counties of Conwy, Gwynedd and Ynys Môn.
- 20.4 75% of members are male, with 25% female.
- 20.5 85% of Governors were aged 51 or over, with none aged 21-30. One member (student) falls in the under 20 category.
- 20.6 The self-assessed skills confidence for Human Resources experience averaged 60%
- 20.7 The skills strength for Languages, including European languages averaged 35% whilst the skills strength for Welsh language skills was 65%.
- 20.8 The skills strength for Financial experience averaged 70%
- 20.9 The skills strength for Generic experience, averaged 76%
- 20.10 The skills strength for Curriculum / Academic experience averaged 40%
- 20.11 The skills strength for Social work experience averaged 28%
- 20.12 The skills strength for Buildings experience averaged 42%
- 20.13 The skills strength for Other / Miscellaneous experience averaged 59%
- 20.14 The total Self Assessed Experience Rating within all areas averaged 53%

- 20.15 Areas Scoring above average were: Human Resources; Welsh Language; Financial Management; Audit; Committee Structures; Project Management; Higher Education; Customer Care, Commercial Experience; Legal; Local Planning; PR and Marketing; Environment; Quality; local / Employer Engagement Links
- 20.16 The strongest skill areas were Commercial Experience; Governance; Health & Safety; Knowledge of Local Government; Strategic Planning; and Employer Engagement links.
- 20.17 The lowest scoring skills areas were Sign Language at 8% and two curriculum areas (Disability issues and Sporting Links) scoring at 42%
- 20.18 14 of 20 Governors rated their overall skills confidence level as average or above (50% and over) with 6 scoring themselves below. The lower confidence levels can be expected to improve as new Governors gain in experience.

## **21. Training Needs:**

- 21.1 Based on the results of the above self-assessed skills confidence analysis, members could benefit from further awareness training in some curriculum / academic areas. This could be facilitated through a series of targeted Governor training sessions prior to Board meetings.
- 21.2 Whilst some skill areas are stronger than the average, care must be taken to ensure these skill areas are fostered and preserved as expertise in these fields is paramount to good governance, in particular knowledge of finance, quality; legal affairs, health and safety and human resources.
- 21.3 Members have in the past three years received the following training:
- 2013-14:
- Dashboard, Edrac and the Portal (Systems)
  - Recent Student Successes
  - Welsh Language Scheme
  - Structures and Savings
  - European Funding
  - WBL & Employer Engagement
  - FHE Act
  - Welsh Government's Skills Strategy and role of the FE College
- 2014-15:
- 2014 FHE Act
  - Strategy, Planning, Mission, Vision
  - Future Funding
  - Estates Development
  - Board Direction
  - The Prevent Strategy
  - Recent Student Successes
- 2015-16:
- ColegauCymru Training - (Audit and Finance)
  - Energy Island Developments in Ynys Môn x 2
  - Succession Planning
  - FE Governance Best Practice Code
  - Food Technology Centre, Llanegfni

**Toby G. Prosser, JP**  
**BA (Hons), PGCM, Cert Gov.**  
 Governance Officer, October 2016.



**2016-17 Development Plan:**

Item	Who:	To be implemented:	Progress checklist
1. Move towards Board memberships of 18	GO	Ongoing	
2. Continue to recruit with integrity and build a usable waiting list in light of likely retirements in 2020).	GO / Chairs	Ongoing	
3. Actively seek to attract more female members	Chairs	Ongoing	
4. Attract younger members	Chairs	Ongoing	
5. Provide greater strategic focus to meetings	Chair / CEO / GO	April 2017	
6. Facilitate committee rotation as needed	GO / Chairs	Sept 2017	
7. Provide Committee Chairmanship training	GO / ColegauCymru	Sept 2017	
8. Greater use of external speakers on topics of college and Grŵp interest	GO / Chair / CEO	April 2017	
9. Greater and more strategically driven use of LCC's and their members - may be by getting externals to present at Board	Chair / CEO	Sept 2017	
10. Develop refreshed Governor Link Activity possibly linked to functions rather than traditional curriculum areas.	Chair / CEO / GO ED Academic Services	April 2017	