



Response to the recommendations of the Governance Effectiveness Review

2. The Board's agreed actions outlined in this paper follow a meeting of the Governance Effectiveness Review Steering Group of governors held on 6 April 2020 at which Advance HE's findings were reviewed in detail and a way forward on each was then proposed by the group to the Board of Governors at its meeting on 7 May.

Background

3. The Committee of University Chairs' Higher Education Code of Governance requires governing bodies to have independent governors: Lin Hinnigan (Interim Chair of the Board at the time of the commencement of the review), Sara Pierson, Daniel Toner and Fiona Cownie. Following his commencement in the role of permanent Chair of the Board in early January 2020, Ian Squires joined and chaired the group.
5. Alongside the Governance Effectiveness Review, the university is engaged in the delivery of its action plan with the Office for Students (OfS). As highlighted within Advance HE's report, a number of areas of improvement either had been made prior to, or were being made during, the process of the Governance Effectiveness Review.

Executive Summary

6. The Board is required to respond to a number of recommendations and suggestions made in a report by Advance HE on its effectiveness. This report sets out a number of proposed responses of the Board to those recommendations on which it is for the Board to determine how it should proceed. Action is proposed in this report by way of response to all 15 of Advance HE's substantive recommendations. This report also proposes a number of actions by way of response to the suggestions made by Advance HE to improve the University's governance arrangements.

Agreed actions of the

A. Agreed actions of the Board

- (3) The Board and Executive explore and agree a future model of governance. This work has already begun under the interim arrangements. It will need to be consolidated further as the new Chair and permanent Vice-Chancellor take up their appointments (alongside a University Secretary, see later recommendation).

Board decision:

- The actions set out within this report (and previous actions in the delivery of the OfS action plan) are all geared toward developing a collaborative model of governance, informed by mutual respect between the Board of Governors and Executive Board.
- The Board of Governors seeks to progress the various actions outlined within this report both prior to the recruitment of a substantive Vice-Chancellor and with the support of that individual when appointed.

- (4) Board members should be prohibited from undertaking any consultancy work for the University.

Board decision:

- The Board has determined that governors should be prohibited from undertaking consultancy work for the university.
- It is recognised that there may be occasions where the University, following an appropriate procurement process, appoints third parties to conduct work on the university's behalf for whom governors may be employed. So long as that governor is not directly involved in the procurement process or delivery of this work, it should not preclude the appointment of relevant third parties. The University's conflict of interest processes will continue to be carried out stringently in order that any potential, actual or perceived conflicts of interest can be identified and managed appropriately to protect the University's reputation.

independent governor recruitment exercises have been carried out transparently, making use of an external search firm and recruiting against an identified skills matrix to recruit new governors possessing the right balance of skills, knowledge and expertise. Among other requirements, the current ongoing governor recruitment process seeks to identify candidates with a strong background in higher education and that have non-executive director experience.

The Board has an overt aspiration to be a diverse body. The ongoing governor recruitment exercise (and future exercises) will seek to recruit governors that enable the Board 'to reflect the diversity of both its student body and the city in which it thrives' and will continue to signal in recruitment literature that the Board welcomes applications from all sections of the community, particularly from groups that are currently under-represented on the Board.

The Board does not perceive that a 'target' for diversity will provide it with the sophisticated measure it requires to achieve the optimum mix of skills and diversity among its membership and could create the perception of a 'tick-box' mentality.

The Clerk to the Board will work with relevant internal and external stakeholders with a view to creating a pipeline of diverse independent governor candidates and will work to pro-actively develop and train those interested in becoming the DMU governors of the future.

The Clerk to the Board will utilise their networks to identify other university governing bodies that have successfully tackled the issue of board diversity, to identify what further strategies the Board, and any executive search firm acting on its behalf, might deploy to become more reflective of the diversity of both its student body and the city.

Future independent governor recruitment initiatives will continue to focus on diversity concurrent with the skills requirement of the Board at that time.

annual training plan for the Board. These could take the form of sessions immediately before/after Board meetings. Implementation should be monitored by the Nominations and Governance Committee

Board decision:

The Clerk to the Board will:

- Oversee the development of an annual appraisal process for governors, to commence from the 2020/21 academic year;
- Submit annually to the Board of Governors a report setting out a summary of governor training undertaken; and
- Analyse the outcomes of the annual appraisal meetings, the skills matrix and training undertaken by governors to develop, with the Chair of the Board, an annual training plan for all governors, to be approved by the Board.

(9) Board size, diversity and succession planning: Consideration by the Board as to the balance that should in future be struck between the:

- Size of the Board
- Importance of increasing the diversity of Board membership
- Maintaining an optimal mix of skills and competencies
- Servicing the roles required on Committees

Board decision:

- The Board is of the view that succession planning, increasing the diversity of its membership and maintaining an optimal mix of skills and competencies is key to the good governance of the institution and will be captured by other actions it either is already taking, or plans to take, in response to the effectiveness review report. The Clerk to the Board and the Chair of the Board will keep under review the size of the Board and will recommend its augmentation if necessary, to ensure that it has the skills mix and diversity it requires to be effective.

(10) Remove HR from the existing 'Finance and HR committee' and separately establish a 'Finance and Infrastructure committee' and 'People and Culture Committee'.

Board decision:

- From the 2020/21 academic year, the Finance and Human Resources Committee's remit will be separated into two sub-committees of the Board (i.e. thus constituting an

(11) Academic governance:

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(13) The University initiate a progressive process to improve the quality of Board papers.

Board decision:

- The Board is of the view that, while the quality of papers considered at Board and committee meetings are generally of a high standard, the papers are frequently lengthy and challenging to digest.
- The Secretary/Clerk has commenced a process to procure a governance management software solution which will aid the quality of board papers and the security of their dissemination to governors.
- In the interests of making the best possible use of governors' time at meetings, the Secretary/Clerk to the Board will develop guidance for report authors and presenters on drafting and presenting of reports, and guidance on drafting focused reports that prioritise key information and what action is required of governors, with more detailed information to be included in appendices.

(14) The Board explicitly considers a policy paper on Board remuneration, publishes a justification of any decisions made and regularly publishes levels of remuneration and expenses paid to Board members.

Board decision:

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B. Agreed actions of the Board to the suggested actions made in the Governance Effectiveness Review report.

9. Under each of the suggested actions of Advance HE's Governance Effectiveness Review below, the agreed actions of the Board are set out in the coloured boxes:

(1)

- Recruitment processes promote that DMU will offer support and training to candidates from diverse backgrounds.
- Develop a comprehensive and tailored training scheme and induction processes to support new board members from diverse backgrounds. This will help them to contribute effectively. The training must include additional support for those who are less familiar with the higher education sector.
- Ensure that recruiters and interview panels have received unconscious bias and equality training, and that this is regularly refreshed.
- Ensure that selection criteria are rigorously applied and that 'non-relevant' information is not taken into account when appointing.

Board decision:

- With the exception of the suggestion for unconscious bias training for governors, all of the above suggestions are in place as part of established governor recruitment processes or the proposed responses to recommendations of the review.
- Presently, governors have not undertaken DMU-commissioned unconscious bias training, but the intention is that this will be incorporated into the Governor Development Plan covered by way of response to recommendation (1). The suggestion for training for diverse Board members will form a key part of the response to recommendation (6).

a focus for the Audit Committee as per its current constitution, taking into consideration in particular the prevailing expertise that this Committee contains.

(5) Following the appointment of the new Chair, Board members and Interim Vice-Chancellor it is timely that the Academic Board reappraise its role and how it will operate. The aim should be to strengthen its effectiveness and support the university better in meeting its obligations to assure quality and standards. We would suggest it also needs to have a strategic away-day, using some external facilitators, and consider practices of other universities, and through use of breakout groups, address, amongst other things:

- Its role and membership
- Its relationship with Faculty Academic Governance
- Its Committee Structure
- Its use of Performance Indicators and the provision and use of credible and consistent data and narrative to provide assurance to the Board in relation to its role
- How best it can assure the Board of Governors that effective standards and quality is delivered
- How best it can engage with the student voice
- The processes it wants to use – seminar sessions, working/breakout groups; and

- Timetabling a meeting a week before each Board to give the student member the chance to go through papers with the Clerk to the Board or relevant member of the Executive
- Creating a student forum, whereby a meeting is convened by the Student Union involving a cross-section of different categories of student (part-

approval, for information, or communication protocols, that it is clear which committee(s) have seen the paper, when, and the conclusions they reached.