

# GOVERNANCE<sup>4</sup>FE

Governance for Further Education and Skills

## Guidance Note

# Governance – Good to Outstanding

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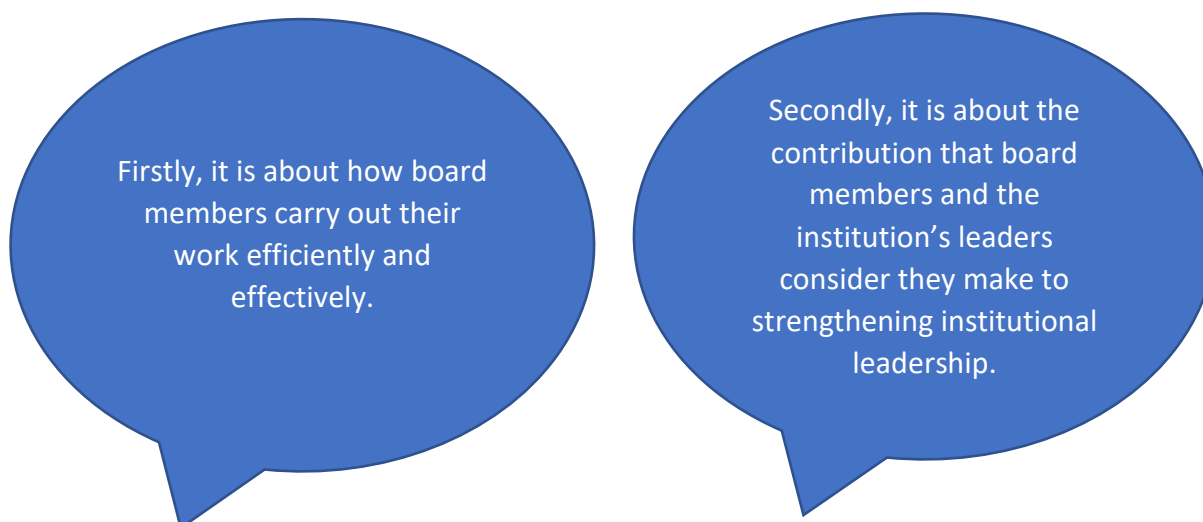
## GOVERNANCE – PROGRESSING FROM GOOD TO OUTSTANDING

I was fortunate enough many years ago, to be working in educational governance when governance itself was a separate grading with Ofsted, and I had the privilege of leading an institution (now part of a multi-academy trust) to achieve Outstanding governance – safeguarding was also rated Outstanding, and the institution achieved an overall grade of Good – up from a previous Requires Improvement grade. Outstanding governance played a key role in improving the institution’s overall performance.

### What does Outstanding governance look like?

When Ofsted previously judged governance as a distinct grade as part of the leadership and management grade, the measurement was as follows: *The effectiveness of the governing body in challenging and supporting the organisation so that weaknesses are tackled decisively, and statutory responsibilities met.*

Times have moved on since the above judgement and whilst there remains no single model of success, there are some key characteristics of governing bodies that have achieved excellence.



**Good governance is about compliance with a nominal Code. Effective governance is about the contribution it makes to an organisation’s performance, however that is measured.**

### The journey to Outstanding.

#### Knowing the institution

Knowing the institution well is fundamental to the success of an effective governing body. Board members should expect good quality information through detailed, regular reports supported by data analysis. This helps them to shape the direction for the institution and hold leaders to account. Student achievement and progression data, information about the quality of education, and how provision is meeting local and national skills needs, are crucial when considering proposals and making strategic decisions.

The Executive should systematically provide information to board members in focused, detailed reports, and deliver presentations to governing bodies and board members, who

can then ask questions, seek clarification, and identify what further information might be required for proposals to be more robust. In addition, board members must seek information from external experts on issues such as the analysis of data, finance, personnel, special educational needs, and institution improvement. Board members can use this external support to gain new perspectives on information provided by the institution so that they are confident that their understanding of the institution's performance is accurate.

Board members should also visit their institution to talk to staff and students and to see the institution in action. Board members can use a range of formal and informal visits, including attending institution events, conducting 'learning walks' and visiting teaching sessions. Crucially, effective practice involves a shared understanding of the purpose of the visit, how it is to be conducted and how it is to be reported back to the governing body and institution leaders. Making use of paired visits every term looking at a particular theme which is linked to the priorities identified in the institution development plan, is a great way for all the board members to understand the progress being made and where there are barriers to overcome. This activity provides board members with a broader understanding of the context for their work and helps inform their strategic decisions.

All governing bodies must work to build productive relationships with stakeholders and use the views of employers, staff, students, and the wider community as another source of information to shape their questions and inform discussions.

Board members should seek a range of good quality, regular information from a variety of sources to ensure that they have an accurate understanding of the institution's strengths and areas for development. This information could include:

- concise, focused reports from the Principal, heads of departments and subject leaders
- external reports, for example from internal auditors, consultants, and accrediting bodies
- presentations from institution staff, students, and external experts and stakeholders
- internal performance monitoring information
- internal and external analyses of national exams using both benchmarking and comparative information
- institution self-evaluation reports
- formal and informal visits to the institution
- questionnaires
- discussions with students and staff

Board members should use this information to help shape the direction of the institution by ensuring that the development plan reflects the right priorities and is monitored systematically and effectively.

Outstanding governing bodies do not shy away from asking questions and confidently seek further information, explanation, or clarification as part of their monitoring and decision-making processes. Two key factors underpin this confident and productive questioning.

First, they have a positive relationship with the Principal and senior leaders. Second, they had a clear understanding of their different roles and responsibilities.

Using information to help shape the direction of the institution through a cycle of planning, monitoring and evaluation is a common thread in outstanding governing bodies.

### Supporting institution leaders

Board members should be proud to be part of their institutions and see themselves as advocates for the students. Institutions are supported very effectively by board members who act as their champions in the local and wider community, often promoting the institution's interests and successes at a local and national level. Board members bring a wide range of skills and expertise that they can use effectively to support institution leaders.

Board members must be committed to making sure that all institution staff, including the Principal, is provided with opportunities for relevant professional development, recognising the benefits of professional development for both the individual members of staff and the work of the institution.

Staff value the interest that board members show in their work, which can help to maintain high levels of staff morale. Board members who are linked specifically to particular area of provision, or aspects of a institution's work, develop a positive relationship with the member of staff responsible and gain an in-depth knowledge of particular areas of the institution's work.

Positive relationships between the Principal, the chair of board members and the governance professional are essential to institution leaders feeling supported. These positive relationships are based on open, honest dialogue, a clear understanding of the different roles and responsibilities, and a shared commitment to securing the very best provision and outcomes for the students.

### Providing challenge

Outstanding governing bodies strike the right balance between supporting leaders and providing constructive challenge, which holds institution leaders to account for the quality of the institution's provision and its impact on outcomes for students. There are three key elements to getting the balance right:

- understanding their role and how it complements but differs from that of the Executive
- using and sharing the knowledge and experience they bring to enhance leadership's performance
- asking pertinent questions based on the information and knowledge they have about the institution

Board members should serve on committees where their knowledge and expertise could be used to best effect, where their expertise, understanding of the institution's context, and the institution performance information that they receive, enables them to ask pertinent and insightful questions.

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Outstanding governing bodies systematically monitor their institution's progress towards meeting the agreed targets in the institution development plan. Monitoring progress is commonly undertaken as a regular item at committee meetings.

Effective board members challenge each other and hold each other to account. For example, if a board member strays into operational matters, then board members, often the chair of board members, chairs of committees or independent board members, should step in to steer the conversation back to a strategic focus.

### Working efficiently

Research shows that Boards primarily influence organisational performance through the undertaking of 3 key activities – shaping strategic direction, taking strategic decisions, and oversight of achievement of strategic objectives.

In addition, Outstanding governance requires two factors that are key to ensuring that the governing body works systematically and effectively to meet their statutory duties. These are the role of the governance professional, and the delegation of work, for example to a number of core committees.

The role of the governance professional is pivotal to the smooth operation of the governing body. As leaders of governance practice, they are a source of guidance and advice for the governing body and the Executive. Skilful governance professionals ensure that board members' time is used efficiently and effectively.

A clear job description for the governance professional supports their effectiveness. It ensures that the role, responsibilities, and lines of accountability are understood. Governance professionals must also receive regular training and briefings to keep their knowledge current.

Strong teamwork between the Principal, the chair of the governing body and the governance professional is crucial to efficient working. Positive, open relationships, trust, integrity, and absolute clarity about their complementary but different roles underpins this teamwork. The leadership and management skills of the chair, with the support of the governance professional, enables meetings to run efficiently, stay focused on the agenda and allows all board members to contribute. As a result, board members, particularly those who are new, will feel that their views are valued equally.

The delegation of work to committees, with clear terms of reference and clarity of purpose, is crucial to ensuring that the work of the governing body is managed well, matched to the needs of the institution, and distributed to involve all board members appropriately. Committees are typically seen as the 'engine room of governance' where in-depth discussions, challenging questions and thorough debate of proposals take place. The skills and knowledge of the chair of a committee is crucial to their success.

All governing bodies must have a systematic approach to monitoring and evaluating the progress being made towards meeting targets. Typically, the review of the institution development plan is a standing agenda item either for committees, the full governing body

or both. Principal and staff reports included information about progress with the plan. The information should be concise and made readily accessible to board members, for example through a traffic light system of coding. Board members are not only provided with graphs, charts and commentary but must also be given an analysis of what the information means and what questions it raises, and proposals about the next steps to ensure that progress is maintained.

Importantly, effective reporting by committees to the full governing body means that time is not spent unnecessarily reiterating what had already been discussed.

### Engaging others

Governing bodies must engage extensively with internal stakeholders and the wider community to promote the institutions' work. Board members are then able to use this activity as one of the many sources of information through which they can provide leaders with challenge and support.

Institution websites are an excellent resource by which to explain the role of the governing body, who the board members are, and what committees they serve on. This contributes to the institution's ethos of transparent leadership and keep stakeholders informed about the institution's governance arrangements.

Questionnaires should be commonly used to gather stakeholders' views, and this information can be used as a 'barometer' and allow governing bodies to act on the comments where possible and respond, either through reports or through discussion, to address stakeholders comments.

All board members should ensure they share information with institution leaders from the wider community, as far as they are able. Positive communication channels will contribute to strengthening relationships between the institution and the local community.

Outstanding board members use their business and wider community links to support the learning experiences of staff and students. These board members promote the work of the institution by encouraging links with different organisations.

### Strengthening leadership through governance

Effective governing bodies strengthen leadership by:

- providing an external view and asking questions which challenged institution leaders, encouraged alternative solutions to be found or tested proposals before they are adopted
- having high aspirations for students, staff, and the wider community
- approving and monitoring priorities, ensuring policies are focused on the key priorities of teaching and learning, and increasing the pace of improvement
- supporting the development of leadership potential within the institution through effective training and development opportunities
- using their skills, expertise, and external networks to complement those of the institution leadership team in improving provision and outcomes for students

- supporting the appointment and retention of the best staff and actions to address underperformance.

#### Board member recruitment, induction, and training

Outstanding governing bodies rarely have vacancies - those with vacancies are confident that they will be filled in the short-term. Refreshing of governing body membership is viewed as positive, bringing in new ideas, skills, and expertise.

All new board members must receive a comprehensive and tailored induction. Typically, new board members are given an induction pack which provides information about the institution, have a meeting with the governance professional, and meetings with members of the Executive team. This is followed by attendance at external sector training especially designed for new board members.

Effective governing bodies allocate a mentor or buddy to new board members and provide an opportunity for new board members to have a pre-meeting ahead of board meetings to encourage engagement and efficacy.

To be Outstanding requires significant commitment on the part of board members, and they must be willing to undertake training to update their knowledge and skills.

#### Governing body self-review

Outstanding governing bodies challenge their own performance in addition to that of the institution. Robust debates about the effectiveness of governance should be common, and where there are differing views, issues are discussed fully and additional information sought, including from external experts. The effectiveness of the governing body structures and committee membership will be reviewed routinely as part of this process.

Excellent practice sees board members engaging with the senior leadership team annually to set clear expectations and gain mutual support and understanding.

The effectiveness of the governing body should be reviewed regularly and include a clear evaluation of the effect of their decisions on the outcomes for students. A question for governing bodies to reflect on is, 'What difference have we made?'

Formally reviewing progress since the previous review meeting and setting priorities for the long and short term, is essential for continuing improvement. Asking these two questions at each meeting: 'Why are we doing this?' and 'What are we trying to achieve?' is a great way to continually review the purpose and impact of governance.

#### Questions that board members might want to consider

Outstanding institutions demonstrate the strong commitment that board members make to their institutions and how willingly they give their time. They strive for the very best for the students and communities that they serve. In reflecting on their own effectiveness, other governing bodies might wish to consider asking themselves some key questions. The questions below are offered as a starting point to help board members reflect on the important work that they do.

1. How do we understand our roles and responsibilities and how they differ from those of the Executive?
2. What do we know about the achievement of students and the quality of education in the institution?
3. How do we know that the information we have about our institution is robust and accurate?
4. How do we provide the right balance of professional support and challenge for the Executive to help them improve the institution's effectiveness?
5. How do we use our time efficiently?
6. How do we make best use of the skills and expertise of all members of the governing body?
7. How do we know that the governing body is as effective as possible, and could we do things better?
8. How do we review our own performance regularly?
9. How do we plan our training and development?
10. Do we consider what might be needed when board members leave? How do we ensure we still continue to have the necessary skills and knowledge?
11. How do we ensure that members of our governing body are prepared to step into important roles such as the chair of the governing body and chairs of committees?

#### How will we know when we've got there?

*'Board members, leaders, and managers have made a very positive contribution to the educational, social, and economic development needs of the region. Leaders, managers, and board members achieve this by using their valuable links with the local community, schools, and employers extremely well. Board members provide excellent support and challenge to senior leaders. They possess an exceptional wealth of relevant expertise and comprehensively represent the interests of the region and local community. Board members take a leading role in setting and reviewing the strategy, financial priorities, and improvement objectives. They hold leaders to account and ensure that the institution has the capacity to continue to improve' – Ofsted Outstanding Institution.*

#### Key characteristics of effective governing bodies

1. Positive relationships between board members and institution leaders are based on trust, openness, and transparency. Effective governing bodies systematically monitor their institution's progress towards meeting agreed development targets. Information about what is going well and why, and what is not going well and why, is shared. Board members consistently ask for more information, explanation, or clarification. This makes a strong contribution to robust planning for improvement.
2. Board members are well informed and knowledgeable because they are given high-quality, accurate information that is concise and focused on student achievement. This information is made accessible by being presented in a wide variety of formats, including charts and graphs.



3. Outstanding board members can take and support hard decisions in the interests of students: to back the Principal when they need to change staff, or to change the Principal when necessary.
4. Outstanding governance supports honest, insightful self-evaluation by the institution, recognising problems and supporting the steps needed to address them.
5. Absolute clarity about the different roles and responsibilities of the Executive and board members underpins the most effective governance. Protocols, specific duties, and terms of reference are made explicit in written documents.
6. Effective governing bodies are driven by a core of key board members such as the chair and chairs of committees. They see themselves as part of a team and build strong relationships with the Principal, senior leaders, and other board members.
7. Board members routinely attend student activities to gather information about the institution at work and visit their institutions regularly and talk with staff and students. Clear protocols for visits ensure that the purpose is understood by institution staff and board members alike. Alongside the information they are given about the institution, these protocols help them to make informed decisions, ask searching questions and provide meaningful support.
8. Institution leaders and board members behave with integrity and are mutually supportive. Institution leaders recognise that board members provide them with a different perspective which contributes to strengthening leadership. The questions they ask challenge assumptions and support effective decision-making.
9. Board members use the skills they bring, and the information they have about the institution, to ask challenging questions, which are focused on improvement, and hold leaders to account for students' outcomes.
10. Time is used efficiently by board members because there are clear procedures for delegating tasks, for example to well organised committees. These committees have clear terms of reference, provide high levels of challenge, and use board members' expertise to best effect. Systems are in place for sharing information and reporting back to the full governing body. This does not merely reiterate what has already been discussed in detail by the committee but focuses on the key points and decisions.
11. The role of the governance professional is pivotal to ensuring that statutory duties are met, meetings are well organised, and board members receive the information they need in good time. Consequently, board members come to meetings well prepared and with pertinent questions ready so that they can provide constructive challenge.
12. A detailed timeline of activities, maintained by the governance professional and linked to the institution development plan, provides a clear structure for the work of board members, and ensures that their time is used appropriately.
13. Board members use their external networks and professional contacts to support the work of the institution by identifying how the skills and resources of the people they come into contact with, can be utilised to better enable to institution to accomplish its objectives

14. Through a variety of methods, board members engage with external stakeholders to understand their challenges and to get a clear picture of the environment in which the institution is operating.
15. There are clear induction procedures for new board members which help them to understand their roles and responsibilities and ensure that they feel included, to best make use of their diverse skills, expertise, and lived experience.
16. The governing bodies constantly reflect on their own effectiveness and readily make changes to improve. They consider their own training needs, as well as how they organise their work<sup>1</sup>.

It is human nature for the most part to rate ourselves as slightly better than we are on the areas we are trying to measure. It is therefore vital as part of making an assessment on the effectiveness of the governing body, that feedback from outside the governing body is sought. Typically, this can be through asking for management's input (perhaps anonymously), and through benchmarking as part of an external review of governance, to provide context and sector comparison.

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<sup>1</sup> (Adapted from Ofsted's Learning from the Best')

## Annex 1. Ofsted Governance paper on strengths and weaknesses

Extracts from previous inspection reports demonstrating what is seen as good practice and what is seen as poor practice.

### Institution 1: Grade 1

Governance Positives: The board members have used their wide experience and skills in education and business exceptionally well to support the Institution's development in the local community. They reflect the diversity of the Institution well and work closely with senior leaders. Board members have a keenly honed understanding of the Institution's performance and provide a high level of informed challenge. Staff and board members receive regular updates to their training in safeguarding.

### Institution 2: Moved up from Grade 3 to Grade 1

Governance Positives: The Institution's strategic priorities are sensible, clearly focused and provide a good template against which progress can be evaluated. Board members receive comprehensive reports from senior managers on key aspects of the Institution's performance and are increasingly adept at interpreting these reports to ask searching questions of Institution leaders. Board members recognise their responsibility for monitoring all aspects of learners' experience, and are improving their understanding by touring teaching areas while lessons are taking place.

### Institution 3: Moved up from Grade 2 to Grade 1

Governance Positives: The Principal, senior leaders and board members set a very clear strategic direction and have an ambitious vision for the Institution and its students. Board members are very well informed and provide excellent support to senior leaders. They ask the right questions to ensure managers are sufficiently held to account and their skills and experience are very well matched to the developing needs of the Institution. Board members meticulously monitor outcomes for learners and the quality of teaching, learning and assessment across the Institution.

### Institution 4: Moved up from Grade 2 to Grade 1

Governance Positives: The principal, senior managers and board members are implementing the Institutions clear strategic vision. The governing body is experienced and highly skilled. Board members monitor the performance of learners' outcomes very well, receiving detailed information on results, particularly the progress learners make from their starting points. They offer highly effective support and critical challenge to senior managers. The Institution's financial health is good with outstanding financial management and control arrangements.

### Institution 5: Moved from Grade 2 down to Grade 4

Governance negatives: The annual report of the curriculum and quality committee last year failed to provide the previous Board of board members with a clear picture of the poor curriculum performance.

Moving forward: The recently appointed principal and board members have launched a new mission and vision effectively. These focus on improving teaching, learning and assessment. The new chair of board members, new clerk to the corporation and four new board

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members bring a revitalised, more focused and stronger set of skills to oversee the Institution's improvement.

Institution 6: Moved from Grade 1 down to Grade 4

Governance negatives: Until recently board members have not monitored the significant deterioration in student performance. The quality of information they receive is improving as is their understanding of overall performance. They recognise that teaching, learning and assessment are areas for improvement but they are unclear what progress has been made. A link board member for safeguarding takes a close interest in the effectiveness of Institution procedures and board members receive an annual report.

Moving Forward: Board members share the vision of developing the Institution's reputation and now understand the major challenges.

Institution 7: Grade 4 stayed the same

Governance negatives: Board members regularly receive and analyse performance data but are less clear about how to challenge standards of teaching and learning. Senior managers and board members confidently state their commitment to make the Institution a vibrant learning community and the first choice for young people in area. However, whilst this vision is understood by most staff, it is not yet apparent in the standards achieved. Moving forward: Senior managers and board members have undertaken a range of initiatives to improve outcomes for students and improve the quality of teaching, learning and assessment. Some early signs of improvement are evident, but students' achievements have not improved.

Institution 8: Moved from Grade 3 down to Grade 4

Governance negatives: The governing body monitors the Institution's finances very effectively, but its monitoring of the Institution's academic performance is inadequate. They do not request, or receive, enough information in an easy to interpret format or in a timely enough manner to enable them to monitor the Institution's progress against key academic targets including success rates. This significantly impedes the degree to which they can effectively challenge the principal and senior managers and hold them to account.

Moving Forward: The principal and board members provide an ambitious vision for the Institution and its role in the regeneration of the city centre. Ensure the governing body scrutinises the academic performance of the Institution, including the performance of different groups of learners, by providing board members with the information they need on academic performance including learner outcomes, and that this information is accurate, timely and easy to interpret. Ensure that all members of the Board receive the training they require to carry out their role effectively.

Institution 9: Moved from Grade 3 down to Grade 4

Governance negatives: Board members, while very supportive of the Institution, have not effectively held senior managers to account for the academic performance of courses. Board members are aware through their monitoring that key performance indicators have not been met but they have not taken sufficiently robust action over time to drive improvements to students' outcomes. The monitoring of performance is insufficiently robust because the targets set are insufficiently specific or measurable and do not enable

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clear lines of accountability to be established.

Moving Forward: Ofsted recommendation is to: - significantly enhance the effectiveness of board members in driving improvement. Review the effectiveness of the governing body in holding the Institution to account for its academic performance.

# GOVERNANCE4FE

Governance for Further Education and Skills

**We are a unique organisation that focuses on corporate governance in the Further Education & Skills sector, making us the 'go to' place to find and be directed to trusted information, expert advice and consultancy, sophisticated software tools, inspirational training, and a library of support documents. Our desire is to see governing bodies positively influence their institutions through effective governance, enabling them to improve outcomes for all students and their communities. We are the ultimate one-stop shop for all your requirements in Further Education governance.**

**Our purpose is to come along side all those operating in the Further Education governance space to support them to deliver effective governance by providing an outstanding service which delivers resources that are:**

- **Practical** – something you can adapt, adopt and utilise immediately
- **Instructive** – you learn in the act of doing – change happened best, is more sustained, and has greater rewards when it takes place from within the organisation
- **Inspirational** – by providing a new perspective, stimulating curiosity, and bringing hope of an improved future

Guidance notes are prepared by the Governance4FE team and peer reviewed by our associates, who are highly experienced and qualified governance experts.

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