The Glasgow School of Art

Governance effectiveness review

GGI Development and Research LLP
Enabling change through good governance improvement

March 2024

Executive summary

Between late August and early January 2024, Good Governance Improvement (GGI) conducted an independent developmental governance review of The Glasgow School of Art. This report establishes the outcome of that review.

The review was commissioned by the board of governors, in line with the recommended best practice of having an external review every five years, as set out in the Scottish Code of Good Higher Education Governance, and was overseen by the chair, the director and both the interim secretary and the newly appointed secretary and registrar.

The primary focus was the board of governors, its supporting committees, and the wider critical governance infrastructure of the school. More than an assessment of regulatory compliance, for which the school has its controls, the review was developmental, looking at how the board and supporting key governance could be more effective, impactful and efficient.

The review takes into account the history of the school, the constitutional framework under which it operates, and its current strategic and operational context. It was conducted using GGI's tried-and-tested methodology, tailored to the school's context and needs at the outset of the work with input from the GSA leadership. It involved extensive document review, contextual research, more than 30 interviews with internal and external stakeholders, two surveys, several observations, benchmarking and other supporting evidence-gathering and analysis activities.

The report's analysis is structured around several 'high-impact' thematic improvement areas, which the review team believe will support the ongoing board and governance improvement towards a position of high performance and value.

Within each area of analysis, recommendations are made for improvement. Some relate to the dynamics of governance, centering on culture and relationships, others to the way the governance is structured and operates. A significant emphasis of the former is on developing how the board and the senior leadership group work together. None is insurmountable but some require affirmative action to mitigate the risk of derailing progress the school has made.

The findings and recommendations of this report are based on robust analysis and triangulation of evidence collated as part of the process and have been through a thorough phase of testing with the chair, director and the interim and newly appointed school secretaries.

Headline finding

Following a challenging period, the school's board and supporting governance have been undergoing a period of stabilisation and improvement.

The principal finding of the review is that, while there have been improvements to the board and supporting governance over the last two years, and the governance approach does largely tick the boxes of the Scottish Code of Good Higher Education Governance, with development it could deliver greater impact and value for the school.

There are also a number of areas where it could be more effective and efficient, and some issues to resolve.

Strengths to build on

It is the nature of these exercises to focus on what is lacking but, as we have already made clear, there have been recent improvements and there are some strengths in the current governance. Some of these

are highlighted below, and many more are drawn out through the rest of the report. These are real assets for the school to maintain and build on as it continues its journey of improvement towards its ambition of being a high-performing board with best-in-class supporting governance. However, most important is the insight we have discussed around areas that need attention and visible steps to address problem areas.

The new strategy, which was co-developed well by the senior leadership team and the board with broad key stakeholder input, has created a strong sense of collective direction and shared focus and has been key in improving relations. The strategy is an essential means for framing the work of the two groups in a way that provides a clear shared purpose around which to position their respective roles and, just as importantly, the backdrop for working together in those distinct roles towards the same outcomes. The strategy has also started to help shift the board's focus to now and the future.

After a period of transition and change among much of the executive and non-executive leadership in the school, professional and collaborative relationships are developing which are vital for driving forward positive change. This development and the emergence of a refreshed culture around governance provide a helpful basis for further development and improvement, particularly to the teamwork and strength of relationships and collective endeavour between the board, the academic council and the senior leadership group.

The school's governors are a committed group and there has been some good recruitment to both the executive and board addressing key skills and experience gaps, such as around academic experience. There has been useful work to improve the effectiveness of the remuneration committee in particular, which had been a problem. The school is also to be commended for the level of transparency around its governance arrangements, with plenty of information available publicly and with the documentation in good order.

Compliance is comprehensively attended to and there is an attentive governance team and a longstanding robustness to aspects of the structural arrangements and governance framework. Self-assessment governance reviews are carried out annually. Under the interim secretary, and now also under the energy and direction of the new secretary and registrar, a series of reforms have been introduced and are being planned to improve the artisanal aspects of governance such as agenda and board paper structuring. Lots of the foundations are in place, or being actively attended to, for a baseline of robust governance but there is more to do for good governance to flourish so it delivers more meaningful outcomes for the leadership and stewardship of the school.

The trajectory of improvement we have seen in the school's governance, albeit with there being more still to do, has also been felt and seen by partners and the school's regulators. The school's response to the QAA Scotland ELIR limited effectiveness judgement and the endeavours of the chair, director and the broader board and senior leadership group, have helped to start rebuilding trust and confidence in the school, its leadership and governance, all of which are critical to an institution like the GSA and the legitimacy and credibility of the board. The relationship and the shared governance around validation with the University of Glasgow is also much improved, more robust and more effectively connected to the academic governance structures of the school.

Key areas for improvement

Several key areas for improvement have been identified during the review, set out briefly below and explored in more detail in the full report. Together these are the key reforms that would help take the board and its supporting governance towards being a high performing board:

1. Roles and alignment – how the board, executive, academic council (AC) and committees work together, in their respective roles and aligned to their responsibilities.

2. Board impact and control – the extent to which the board is operating strategically and the control and direction it exerts over the oversight and assurance work of its committees and the wider governance.
3. Committee role and culture of assurance – how effectively the committees deliver on their role and whether the culture of assurance is properly calibrated and delivering the right outcomes.
4. Structural proportionality and efficiency – whether the structure of the school's governance is proportional to its needs and operating as efficiently as it could be, in the way its respective parts align and assurance and decision-making flows.
5. Relations and contributions – the relations between board members and executives and the value and impact of their respective contributions.
6. Academic council and board connectivity – the flows of information, connectivity and collaboration between AC and the board, and the board more broadly with key stakeholders.

The key improvement areas are explored in the report with supporting analysis against the key lines of enquiry areas which are aligned with Scottish Code of Good Higher Education Governance.

Key recommendations

The review team have identified a concise set of high-impact recommendations to support further improvement to the effectiveness, efficiency and impact of the school's governance, presented below:

Dynamics

- HIDR1 – The board should look to spend some concerted development time focused on its full role and responsibilities, brought to life and considered against the operation of the board and committees, and ensure this is drawn out in the induction process for all new board members.
- HIDR2 – The board should implement personal development plans for all members and utilise them as a means to support development but also to assess performance. It should also look at a way it can evaluate its collective impact annually.
- HIDR3 – The board and the executive should look at a shared development programme to align understanding of roles and contributions, explore assurance and reassurance and constructive challenge, and support the ongoing relationship development towards a position of teamwork and collaboration.
- HIDR4 – The board should look to develop a board assurance framework, as a strategic means for shaping and informing its work, aligned to the school's strategy and key risks and as a basis for determining the work of, and assurance from, committees.
- HIDR5 – The board should look at how it can further develop its relationship and connectivity to the academic council. Mutual development session time, collaborative risk and assurance deep-dives between the academic council and the board's audit and risk committee are two suggestions.
- HIDR6 – The chair needs to be vigilant to the relations between board members and the executive, in particular to certain unhelpful behaviours in the way challenge is given and received and to equitable voice in board and committee discussion.

Mechanics

- HIMR1 – To improve the robustness, clarity and consistency of committee assurance reporting to the board, the school should look to introduce a standard template, based on the best-practice three-As model[1], for chairs to use.
- HIMR2 – The board should conduct an annual review of committees and from that make more considered judgements about membership, areas of focus and reporting.
- HIMR3 – The governance system of the school needs to be reviewed and intentionally redesigned to improve alignment, interfaces and assurance flows, decision-making pathways and remove duplication. The resulting structure needs to be proportionate and simple and maximise efficiency and effectiveness.
- HIMR4 – The terms of the scheme of delegation should be revised. In particular, decisions need to be largely kept at board and management level, with very few decisions delegated to committees, for example delegated spend authorisation levels to management are too low.
- HIMR5 – The governance framework should be reviewed to make it clearer and more concise, and terms of reference for committees should be tightened up and memberships reviewed.
- HIMR6 – The role and scope of business and estates committee need to be looked at in relation to the broader committee structure, which should be rationalised and made leaner.

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[1] Good Governance Institute, Three A Report, https://www.good-governance.org.uk/publications/insights/making-meetings-matter-the-3as-report

- HIMR7 – The cycle of business planning for the board and committees should be looked at, to improve coordination and the clarity of key business, and to create greater space for strategic time and focus at the board.