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The Composition of English Further Education College Boards and College Governance Frameworks 2015

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The Composition of English Further Education College Boards and College Governance Frameworks 2015

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The Composition of English Further Education College Boards and College Governance Frameworks 2015

Executive summary

Introduction

1. This executive summary shows the key findings of AoC's survey on the Composition of English Further Education Boards and College Governance Frameworks 2015. The survey builds on the 2013 survey to take stock of changes to boards and governance frameworks in response to the flexibilities promoted by the Education Act 2011.
2. AoC commissioned Godbold Consultancy to lead the research project which was sponsored by the Education and Training Foundation. The survey was completed by clerks in March 2015. The overall response rate was 60% and the results cover nearly 200 English FE colleges and provide information on over 3500 governor positions on college boards.
3. The report provides a higher level of detail than the 2013 survey. In particular it looks at the profile of each type of governor rather than governors as a group. The report therefore provides more information on the particular group of governors (primarily independent/external governors) that are recruited by search committees in order to secure governors with appropriate skills, expertise and backgrounds.
4. The report confirms that in England there are in all up to 5900 governors serving on the boards of the 332 colleges. Of these some 4200 (about 70%) are independent/external governors. The college sector is also supported by some 630 student, 630 staff and around 130 parent governors (mainly in sixth form colleges). In addition there are some 335 executive (ex-officio) governors who, for the most part, are the colleges' principals.
5. A summary of terms used in the report and the survey is provided at Appendix 1.

Changes to constitutions

6. By March 2015, 79% of colleges had used the new flexibilities promoted by the Education Act 2011 to change their Instrument and Articles of Government. Seventeen percent have used them to promote more complex governance structures, although, only four percent of clerks say they have made significant changes to their governance frameworks (paragraphs 86-94).

Size of boards

7. The average size of boards has changed very little since the 2013 survey. A typical general further education college board still has 17 governors and a sixth form college 18. The smallest board is 12 and the largest 22. A small number of colleges have purposefully increased their board size above 20, which for most had been the mandatory maximum (paragraphs 72-74).

Types of governor

8. By looking in more detail at the types of governors on boards, the survey was able to identify a small number of colleges that have used the flexibilities to appoint governors who have no voting rights (In some cases these are referred to as associate governors.) The survey also provides more information on co-opted governors who are members of the board and those that are appointed to support committees only (paragraphs 25 and 29-40).

Co-opted governors

9. Sixty-two percent of colleges appoint co-opted governors to support their committees – they are not members of the board. This is double the finding in the 2013 survey. The report estimates that there are 450-500 such co-opted governors in colleges. One college confirmed the appointment of up to 11 co-opted governors to support their new (very particular) governance framework. Respondents identified financial expertise as the most frequent reason for making these appointments (paragraphs 26, 27-28 and 69).

Numbers of committees

10. The report confirms that a typical college still has five committees. Four percent of colleges have two or fewer committees (including the mandatory audit

committee). Seventy-seven percent of colleges have a finance committee (paragraphs 75-76).

Gender

11. While the report confirms that the overall gender balance of boards has changed only marginally since the 2013 survey (40% female and 60% male in 2015 compared to 38% and 62% in 2013) it now provides information on the gender balance of types of governor, chairs of boards and chairs of committees. The gender balance of independent/external governors is 36% female and 64% male. The gender balance of student governors is 45% female and 55% male. For chairs of boards it is 29% female and 71% male and it appears that the chairs of audit and finance committees are predominantly male - 78% and 80% respectively (paragraphs 45-47).

Ethnicity

12. Boards are still predominantly white British (86% in 2015 and 88% in the 2013 survey) but the report shows notable regional variation. The report also now provides information on ethnicity of boards by type of governor as well as for chairs of boards and chairs of committees. Ninety-one percent of chairs of boards are white British though this varies across the regions. Across the college sector over 90% of chairs of core committees are white British (paragraphs 51-56).

Governors' skills, expertise and backgrounds

13. Twenty-five percent of governors have an education background and 17% finance. A new series of skills-based questions in the report explores the expertise and skills colleges consider are important to boards and therefore seek to recruit. Twenty-four percent of respondents said that financial skills were the most difficult to recruit followed by law at 19% (paragraphs 61-69).

Age of governors

14. Twenty-one per cent of independent/external governors are aged 65 or older and 17% of independent/external governors are either retired or semi-retired (paragraphs 48-50).

Disabilities

15. From the results of the 2015 survey, the report estimates that 3% of governors (covering all types of governors on the board) self-assess as disabled and 2% specifically for independent/external governors (paragraphs 57-58).

Governor training and development

16. Ninety-three percent of colleges confirmed that governors from their college had attended an induction course (internal or external). This covered over 700 governors (all types of governor). Clerks also confirmed that nearly 1900 governors had attended subject-specific training and development, which represents over 50% of governors in the survey (paragraphs 95-98).

Refreshing the board

17. Eighty-two percent of colleges have reviewed or refreshed their boards in the last year (paragraph 96 and figure 34).

Terms of office

18. Sixty-one percent of colleges set a standard maximum term of office for their independent/external governors. Twenty-seven percent have a standard term of office for the chair of the board (paragraphs 77-85).

Length of service

19. Seventeen percent of independent/external governors have been in post for less than one year and six percent for 12 years or more. For chairs of boards, 2% are in their first year and 10% have been chair for 10 years or more (paragraphs 59-60).

Governance codes

20. Seventy-one percent of colleges report compliance with the English Colleges' Foundation Code; 54% with the English Colleges' Foundation Code and its Audit Annex; and 51% with the UK Corporate Governance Code. Thirty-one percent of colleges (61 in the survey) report compliance with both the English Colleges' Foundation Code and the UK Corporate Governance Code (paragraphs 99-100).

Part 1: The Results on the Composition of Boards

Introduction

21. The results cover 199 English FE colleges and provide information on 3511 governor positions, including vacancies. On the basis of this, a straightforward extrapolation shows that overall there are around 5,900 governors serving on the boards of the 332 colleges that make up the college sector¹.
22. The figure below shows the results of the survey cover data on 3511 governors positions and breaks this down by type of governor and region. The descriptors for the types of governor are based on the classifications most commonly used across the college sector and used in the previous report².

Figure 1: Number and type of governor by region

Region	Executive (ex-officio) governor(s)	Independent/external governor(s)	Staff governor(s)	Student governor(s)	Parent governor(s)	Total
East Midlands	11	136	18	20	2	187
Eastern Region	26	324	54	46	8	458
Greater London	17	207	30	33	6	293
North East	13	154	24	22	3	216
North West	40	498	70	76	15	699
South East	34	417	64	65	22	602
South West	22	272	41	41	4	380
West Midlands	21	253	42	41	7	364
Yorkshire & Humber	17	222	32	32	9	312
All colleges	201	2483	375	376	76	3511

23. In most circumstances in this report we have adopted the term independent or external governor to define a college governor who is not a student governor, staff governor, parent governor or executive (ex-officio) governor. Though they

¹ Excludes the 10 special designated colleges.

² The Composition of English Further Education Corporations and College Governance Frameworks (2014).

constitute the largest group of governors on a board, they do not have a distinctive label in the current, unmodified (standard) Instrument and Articles of Government.

24. For the purposes of drawing in data, the survey invited colleges to tell us about foundation and co-opted governor positions on the board. Foundation governors are particular to the governance frameworks of some sixth form colleges. While co-opted governors on the board is again a term specific to some sixth form colleges, as the report will show it is sometimes used by other types of colleges. For simplicity references to these types of governors will be subsumed within the term independent/external governor unless a specific point is being made about them.
25. While our analysis focuses on these 3511 governors, 17 respondent colleges (8%) confirmed that they also appointed governors who were invited to attend and participate at board meetings but who do not have full voting rights. In some cases these are referred to as associate governors. These responses covered 31 governor positions that include former Chairs, Principals and local MPs.
26. While the report mainly focuses on the role of governors who are members of the board it also collected some basic data on co-opted governors who support committees only and who are not members of the board. Sixty-three percent (123 colleges in the survey) appoint such co-opted governors and the responses to the survey cover 289 such positions. This would suggest that there could be in the order of 450-500 such appointments across the college sector.

Co-opted governors who support committees only (not members of the board)

27. The 2013 survey did not ask any specific questions on the number of co-opted governors who support committees only. Nevertheless, from the information and follow up work with colleges, the subsequent report estimated that 30% (56 colleges in the 2013 survey) had just over 100 co-opted governors supporting committees only.

28. There is evidence from the 2015 survey that the number of co-opted governors in colleges (supporting committees only) is increasing. Furthermore, the 2015 survey shows that colleges are not limiting these appointments to just one or two individuals. As figure 2 shows, 13% of colleges (24 in the survey) have four or more co-opted governors supporting their committees. Two colleges (GFECs) confirmed the appointment of 10 and 11 co-opted governors respectively to support the particular needs of their new governance frameworks.

Figure 2: Number of co-opted governors on committees only

No. of co-opted governors (committee only) at college	No. of colleges providing data ³	% of all colleges in survey
1	47	24%
2	34	17%
3	16	8%
4	13	7%
5	7	4%
6	1	0.5%
9	1	0.5%
10	1	0.5%
11	1	0.5%

Types of governor positions on the board

29. As figure 1 shows the survey collected data in terms of the following governor positions:

- Executive (ex-officio) governors – usually only the Principal
- Independent/external governors
- Staff governors
- Student governors
- Parent governors

³ 121 colleges provided data on the number of co-opted governors (committee only) that they have.

Executive (ex-officio) governors

30. Under the unmodified Instrument and Articles for FE Colleges, a principal can (if they wish) choose to be a member of the board. Once again, as in the 2013 survey, we found that all principals took up this opportunity.
31. Under the flexibilities promoted by the Education Act 2011, a college may appoint other executive (ex-officio) governors. Two colleges (both GFECs) reported that they had modified their Instrument and Articles of Government to appoint the principal and one other member of the senior management team to be members of the board.

Independent/external governors

32. These are the core group of governors on the board that are appointed by means of college search committees. While the terms independent or external governor⁴ are very commonly used across the sector they are not specified in the Instrument and Articles of Government that underpin each college's constitution.
33. As figure 3 shows the survey gathered data on 2483 independent/external governor positions in 199 colleges. On average this makes 12 or 13 in a typical college.

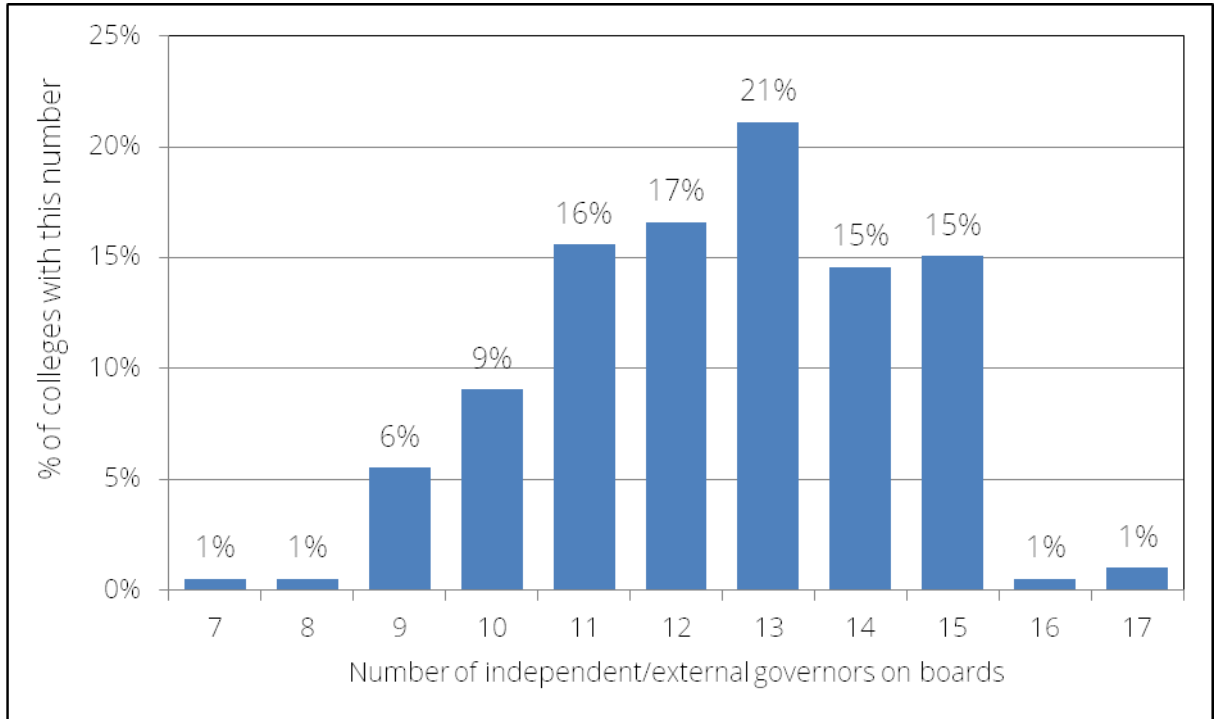
Figure 3: Average number of independent/external governors by type of college

Type of college	No. of colleges in survey	No. of independent/external governors	Average no. at colleges
GFECs	131	1633	12.5
SFCs	53	655	12.4
A&HCs	14	183	13.1
College sector	199	2483	12.5

⁴ The term business governor is also sometimes used to refer to this type of governor.

34. Figure 4 shows the range in the number of independent/external governors and the percentage frequency of this number of independent/external governors on boards.

Figure 4: Number of independent/external governors on boards



35. As figure 5 shows, seventeen sixth form colleges classified 154 governors as foundation governors. These are highlighted in more detail in figure 6 which shows that 12 sixth form colleges classified all their "independent/external governors" as foundation governors and five sixth form colleges classified some as independent/external governors and some as foundation governors.

Figure 5: Constituent parts of the independent/external governor data by region

Region	Independent/ external governor(s)	Foundation governor(s) provided by 17 SFCs	Co-opted governor(s) on the board	Classified in the report as independent/ external governors
East Midlands	136	0	0	136
Eastern Region	299	22	3	324
Greater London	182	22	3	207
North East	150	4	0	154
North West	413	70	15	498
South East	399	13	5	417
South West	250	14	8	272
West Midlands	244	9	0	253
Yorks & Humber	219	0	3	222
All colleges	2292	154	37	2483

Figure 6: Foundation governors, independent/external and co-opted governors in sixth form colleges

Number of sixth form colleges	Independent/external governor(s)	Foundation governor(s)	Co-opted governor(s) on the board	Total
12	0	136	20	156
5	41	18	2	61
Total	41	154	22	217

Co-opted governors on the board

36. The survey collected data on 37 co-opted governors who are members of the board. However as figure 6 shows, 22 of these are an historic classification of independent/external governors that continues to be used in some sixth form colleges' governance frameworks. The remaining 15 governors (37-22) are spread across four sixth form colleges⁵ (6 co-opted governors), six general further education colleges (8 co-opted governors) and one agricultural and horticultural college (one co-opted governor).

⁵ These sixth form colleges classified no governors as foundation governors.

Staff governors

37. Eighty-one percent of colleges appoint two staff governors, 15% one staff governor and 4% three staff governors. In 2013 this was 84%, 13% and 3% respectively.
38. In the 2015 survey we asked colleges to tell us whether staff governors come from either the academic or support side of the college. Based on the responses of 169 colleges who provided information, 59% of staff governors come from the academic side and 41% from the support side.

Student governors

39. Eighty-six percent of colleges appoint two student governors, 12% one and 2% three student governors. In 2013 this was 93%, 6% and 1% respectively.

Parent governors

40. Fifty-five colleges responded to the question about the number of parent governors. This included all the sixth form colleges (73 parent governors) and two general further education colleges (three parent governors). Sixty-two percent of sixth form colleges have two parent governors and 38% one. In 2013 it was 72% and 27% respectively.

Vacancies

41. As figure 7 shows the average vacancy rate for governors is 6% which compares to 9% in 2013. The level of parent governor vacancies is again higher at 16% (29% in 2013) but care needs to be taken as the rate is based on a small number of vacancies and a small baseline. The vacancy rate for student governors (5%) confirms the view taken in the report on the 2013 survey that the high student vacancy rate (then 24%) reflected the timing of the survey.

Figure 7: Vacancy rates for governors

Type of governor	Vacancies	No of governors positions	Vacancy rates
Executive (or ex-officio) governor(s)	2	201	1%
Independent/external governor(s)	176	2483	7%
Staff governor(s)	11	375	3%
Student governor(s)	19	376	5%
Parent governor(s)	12	76	16%
All vacancies	220	3511	6%

42. As in 2013, over half of colleges (105 in 2015 survey) have at least one vacancy for an independent/external governor. Eighteen percent (36 colleges) have two vacancies and 7% (14 colleges) have three or more vacancies. This is an improvement from 29% and 11% respectively in 2013.
43. For the record, the vacancy rates for the constituent parts of independent/external governors shown above are: independent governors (narrow definition) 7%; foundation governors 4%; and 8% for co-opted governors on the board.
44. In the 2015 survey we also asked about the vacancy rate for co-opted governors who support committees only (not on the board). Forty-one vacancies were recorded over 289 co-opted committee-only positions. This gives a vacancy rate of 14%,

Gender

45. As figure 8 shows the gender mix of governors (covering all types of governor) is 40% female and 60% male. This compares to 38% female and 62% male in the 2013 survey. This is just a marginal change and likely to be well within any sampling tolerance.
46. The 2015 survey however, aimed to show more detailed analysis than the 2013 survey by collecting further data on gender by type of governor.

Figure 8: Gender of governors ⁶

Type of governor	College responses	Female	Male
Executive (ex-officio) governors *	184	41%	59%
Independent/external governors	169	36%	64%
Staff governors	176	57%	43%
Student governors	171	45%	55%
Parent governors **	42	52%	48%
All governors in survey		40%	60%

* Two colleges reported having 2 executive (ex-officio) governors. In all other colleges the principal was the only executive (ex-officio) governor.

** Only sixth form colleges are required to have parent governors. Two general further education colleges in the survey have parent governors.

47. The survey also provides information on the gender of chairs of boards and committees. As figure 9 shows, the information focuses on five core committees.

Figure 9: Gender of chairs

Chairs of.....	Responses	Female	Male
Board	199	29%	71%
Audit Committee	192	22%	78%
Search Committee	180	32%	68%
Remuneration Committee	173	33%	67%
Quality and Standards Committee	141	46%	54%
Finance Committee	144	20%	80%

⁶ Figure 7 covers data on governors in post (excludes vacancies).

Age of governors

48. The survey provides a snapshot of the age of governors by type of governor. Figure 10 shows that 21% (19%+2%) of independent/external governors are aged 65 years or older.

Figure 10: Age of governors

Type of governors	Age range of governors on the board							
	Number of colleges	24 or under	25 – 34	35 – 44	45 – 54	55 – 64	65 – 74	75 or over
Executive (ex-officio) governors	151	0%	0%	10%	45%	44%	1%	0%
Independent/external governors	123	0%	4%	11%	28%	36%	19%	2%
Staff governors	167	0%	16%	32%	33%	18%	1%	0%
Student governors	169	88%	8%	1%	1%	1%	0%	0%
Parent governors*	39	0%	0%	27%	65%	8%	0%	0%
All governors		13%	6%	13%	27%	28%	12%	1%

* Only sixth form colleges are required to have parent governors. Two general further education colleges in the survey have parent governors.

49. Comparative data from the 2013 survey is only available at the level of all governors on the board. As figure 11 shows the most significant change seems to relate to student governors in the age range 24 years and under which has increased from 9% in 2013 to 13%. This is however likely to be mainly attributable to the high level of student governor vacancies (24%) at the time of the 2013 survey and their consequent under representation in the data provided on the age profile of boards.

Figure 11: Comparison of the data on the age of governors with the previous survey

Covers all types of governor on the board	Age range of governors on the board						
	24 or under	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75 or over
2015 survey	13%	6%	13%	27%	28%	12%	1%
2013 survey	9%	5%	13%	29%	31%	13%	1%

50. The survey asked the number of independent/external governors who are retired or semi-retired. One hundred and forty colleges provided data (75% of part 2 of the survey). The colleges said that 585 of their independent/external governors were retired or semi-retired. Based on the 2032 independent governors at these colleges this represents 29% of independent/external governors. No such question was asked about this in the 2013 AoC survey but an ACER survey in 2012 in the Eastern region found that 28% of independent/external governors were retired.

Ethnicity

51. Looking at ethnicity at a summary level, figure 12 shows that the ethnicity of governors on boards has changed very little since 2013. In 2015, 86% of governors are white British compared to 88% in 2013. The national projections are appropriately weighted to reflect the variation in response rates and the different number of colleges in the regions.

Figure 12: Ethnicity changes between the 2013 and 2015 surveys

All governors on boards	Asian/Asian British	Black/Black British	Mixed/Mixed British	White British	White other	Other
2015 survey	6%	4%	1%	86%	3%	0
2013 survey ⁷	4%	3%	2%	88%	3%	2%

⁷ The 2013 results have been weighted to follow a similar methodology adopted for the 2015 results.

52. Figure 13 shows the variation in the ethnicity of governors by region. The figure also provides the number of colleges in each region as a guide to the relative weighting for national projections.

Figure 13: Ethnicity of governors by region

Region	Number of colleges in region	Asian/Asian British	Black/British black	Mixed/Mixed British	White British	White other	Other
East Midlands	23	9%	3%	1%	86%	1%	0%
Eastern Region	31	4%	2%	1%	88%	3%	1%
Greater London	44	11%	14%	6%	62%	7%	0%
North East	20	3%	0%	1%	95%	1%	0%
North West	56	5%	0%	1%	90%	3%	0%
South East	57	3%	2%	0%	93%	2%	0%
South West	29	1%	1%	1%	95%	3%	0%
West Midlands	38	11%	5%	1%	81%	2%	0%
Yorkshire & Humber	34	6%	2%	0%	91%	2%	0%

53. Figure 14 shows the greater detail provided in the 2015 survey which allows us to drill down into the ethnicity of the different types of governor.

Figure 14: Ethnicity by type of governor

Type of governor	Asian/Asian British	Black/Black British	Mixed/Mixed British	White British	White other	Other
Executive (ex-officio)	4%	2%	1%	86%	6%	0%
Independent/external	5%	3%	1%	88%	3%	0%
Staff	4%	3%	1%	91%	2%	0%
Student	13%	10%	3%	70%	3%	1%
Parent	15%	4%	4%	77%	0%	0%
All governors on boards	6%	4%	1%	86%	3%	0%

54. The 2015 survey also asked respondents for the ethnicity of their chairs of boards. As figure 15 shows, in the English college sector 91% of chairs of

boards are white British. Figure 16 shows Greater London to be the most diverse region in these appointments.

Figure 15: Ethnicity of chairs of boards

	No. of colleges responding	Asian/ Asian British	Black/ Black British	Mixed/ Mixed British	White British	White (other)	Other
College sector	193	1%	4%	1%	91%	4%	1%

Figure 16: Ethnicity of chairs of boards by region

Region	No. of Responses	Asian/ Asian British	Black/ Black British	Mixed/ Mixed British	White British	White (other)	Other
East Midlands	11	0%	0%	0%	100%	0%	0%
Eastern	24	0%	0%	0%	96%	4%	0%
Greater London	17	6%	24%	0%	65%	6%	0%
North East	13	0%	0%	0%	100%	0%	0%
North West	38	0%	0%	0%	97%	3%	0%
South East	32	0%	3%	3%	88%	3%	3%
South West	20	0%	0%	0%	80%	20%	0%
West Midlands	21	0%	0%	0%	100%	0%	0%
Yorkshire & Humber	17	0%	0%	0%	100%	0%	0%

55. The survey also asked clerks to confirm the ethnicity of the chairs of their committees. As figure 17 shows the information focuses on five core committees.

Figure 17: Ethnicity of chairs of committees in the college sector

Committee	No. of colleges responding ⁸	Asian/ Asian British	Black/ Black British	Mixed/ Mixed British	White British	White Other	Other
Audit	193	2%	1%	1%	92%	3%	0%
Search	181	2%	1%	1%	93%	4%	0%
Remuneration	174	2%	3%	1%	91%	4%	0%
Q&S	142	1%	1%	1%	94%	3%	0%
Finance	146	3%	1%	0%	94%	2%	1%

⁸ The only mandatory committee is audit.

56. The data on ethnicity excludes non-respondents and “don’t knows”.

Disabilities

57. The survey asked clerks to provide information on the number of governors on boards who self-assess as disabled. One hundred and eighty-five colleges (99% of respondents to Part 2 of the survey⁹) responded to this question. Forty-seven colleges (25% of respondents) confirmed that they had at least one governor who self-assesses as disabled. In total these 47 colleges registered 64 governors who self-assess as disabled. This represents just under 2% of all governors in the survey¹⁰ and compares to 3% in 2013.

58. The 2015 survey sought more information on the number of independent/external governors specifically who self-assess as disabled. One hundred and eighty-one colleges responded to this question and 36% confirmed that they had at least one independent/external governor who self-assesses as disabled. The responses cover 44 governors. This also represents just under 2% of all independent/external governors.

Length of service on boards

59. The survey provides information on the length of time independent/external governors have been on their boards. Figure 18 shows that 17% of governors are in their first year and that 6% have been governors for 12 or more years. It should be noted that the length of time as an independent/external governor does not indicate whether any governor is currently the chair of the board.

Figure 18: Length of service on boards of independent/external governors

Length of service on board	% of governors
Less than one year	17%
1-4 years	35%
4-8 years	30%
8-12 years	12%
12 years and over	6%

⁹ Seventy-one percent of respondents to the 2013 survey answered this question.

¹⁰ The baseline number of governors is taken to exclude vacancies

60. Figure 19 shows how long current chairs have been in post and comparatives for 2013. The figure appears to show a fairly large appointment of new chairs during 2012/13 (some 17% being in their first year – 31 colleges in the 2013 survey) which has not been repeated in this survey's findings.

Figure 19: Period chairs have been in post

Period chairs have been in post	2015	2013
	% ¹¹	%
Less than a year	2%	17%
1 to less than 2 years	27%	27%
2 to less than 3 years	18%	14%
3 to less than 4 years	19%	8%
4 to less than 5 years	8%	5%
5 to less than 6 years	4%	10%
6 to less than 7 years	2%	2%
7 to less than 8 years	5%	5%
8 to less than 9 years	6%	2%
9 to less than 10 years	1%	2%
10 years and more	10%	8%

Governors' skills, expertise and backgrounds

61. As figure 20 shows, education (25%) and finance (17%) remain the main sources of independent/external governors compared to 26% and 18% respectively in 2013. Business management (13%) and local government officer (7%) provide the next most frequent backgrounds. These were new categories added to the 2015 survey so there is no comparative data for 2013.

¹¹ Percentages to the nearest whole number

Figure 20: The professional and work background of independent/external governors

Background of independent/external governors	% of governors
Education (Schools)	7%
Education (FE)	7%
Education (HE)	8%
Education (Other)	3%
Education (all above sub-groups)	25%
Finance (including accounting, audit, banking and insurance)	17%
Business/management	13%
Local government officer	7%
Law	6%
Construction/property (including surveyors, architects, civil and structural engineers)	5%
Health and social care	4%
Human resources	4%
Engineering	3%
Marketing/communications	3%
Agriculture/land-based activities/food (including food production, processing and manufacture)	3%
IT (programming, systems analysts, software and hardware)	2%
Hospitality/leisure/tourism (including restaurateurs, etc.)	2%
Manufacturing	1%
Retail	1%
Ecclesiastical	1%
Other	5%

62. While the categories for the question which supports figure 20 are well understood in the college sector they have expanded over time – as more are added – and the categories currently provide an eclectic mix of sectors, generic skills and specific occupations. As there is some overlap, respondents are asked to record the one background that best fits.
63. The 2015 survey asked a range of new skills-based questions. The first asked how many independent/external governors have business or employment

experience of operating at board level or its equivalent. Responses from 165 colleges (88% of respondents) told us that just under half (49%) of independent/external governors have business or employment experience of operating at board level.

64. Focusing further on skills and expertise of governors, the 2015 survey asked clerks to rank in importance five key areas of skills and expertise that clerks commonly apply in the assessment and recruitment of new governors. Clerks were asked to show the value of these skills to their colleges on a scale of one to five (where one is very important and five of very little importance).
65. As figure 21 shows, in line with the results above, finance and education are very highly sought after but they are very closely supported by strategic thinking. The range of skills and expertise are of course not mutually exclusive.

Figure 21: The importance of key areas of expertise in the recruitment of governors

Area of skill or expertise	No. of respondent colleges	On a scale where 1 is very important and 5 is of very little importance				
		1	2	3	4	5
Finance	197	179	12	2	0	4
Education ¹²	196	166	24	2	1	4
Strategic thinking	196	163	26	2	1	4
HR	197	68	73	45	8	2
Estates	197	46	71	66	10	3
Law	196	41	77	55	17	7

66. Seventy-seven colleges (39% of the survey) responded to an open question which invited clerks to identify any other areas of skills and expertise that they considered important to have on their boards. By far the largest response, provided by 24 colleges, is audit and risk management. The next largest response provided by eight colleges is business and commercial skills and expertise.
67. Building on this approach the survey asked clerks to provide the number of independent/external governors who have these skills. As figure 22 shows 55%

¹² Education (teaching and learning)

have strategic thinking skills, followed by finance and education which are 30% and 27% respectively.

Figure 22: Independent/external governors' skills and expertise

Area of skill or expertise	No. of respondent colleges ¹³	No. of governors with these skills	% of governors with these skills
Strategic thinking	158	1122	55%
Finance	161	614	30%
Education ¹⁴	164	546	27%
HR	134	348	17%
Estates	128	258	13%
Law	118	169	8%
Base line 2028 governors			

68. Clerks were asked from which of these areas it is most difficult for their college to recruit governors. As figure 23 shows, 24% of clerks said that finance ranked highest followed by law (18%). Respondents were able to prescribe any other area, should they wish, as their most difficult. Twenty-nine colleges did so and the two most frequent responses (audit and business/commercial) are shown separately.

¹³ 22 colleges did not respond to this series of questions

¹⁴ Education (teaching and learning)

Figure 23: The most difficult skills to secure in governor recruitment

Area of skill or expertise	No. of colleges who say most difficult to recruit	% of colleges
Finance	41	24%
Law	32	18%
Education ¹⁵	30	17%
Strategic thinking	15	9%
Estates	15	9%
HR	13	7%
Other - audit	7	4%
Other - business/commercial	3	1%
Other - remainder	19	11%
Baseline 172 responses		

69. Finally in this series of skills-based questions the survey asked where a college has co-opted governors supporting committees (but who are not board members) what particular skills and expertise they bring to the college. As figure 24 shows, finance skills are by far the most frequent reason for appointing a co-opted governor to support a committee. Further, audit and risk management skills made up half of responses to the “other please specify” category.

¹⁵ Education (teaching and learning)

Figure 24: Skills and expertise provided by co-opted governors (committees only)

Area of skill or expertise for co-opted governors to support committees (only)	No. of colleges that recruited co-opted governors with these skills/expertise	% of colleges that have co-opted governors (committees only)
Finance	80	65%
Education	28	23%
HR	19	15%
Estates	15	12%
Law	6	5%
Other - audit	33	27%
Other - business/commercial	4	3%
Others - range of other skills/areas	17	
The baseline for each skill/area of expertise is the 123 college that said they have co-opted governors on committees only		

Public positions held by governors

70. The survey asked clerks to tell us whether any of their governors hold public positions. Five colleges reported that they have a Member of Parliament on their boards. In the 2013 survey it was just two. Further, one of these colleges reported they actually have two Members of Parliament but confirmed that their terms of appointment do not give them voting rights at board meetings.
71. Seventy-six colleges (41% in part 2 of the survey) reported that they have at least one County/District/Borough Councillor on their board. This compares to 49% that reported this in 2013. Seventy colleges (37% in part 2 of the survey) have a governor who is either a member of the board or committee of a Local Enterprise Partnership. This compares to 31% in 2013.

Part 2: College Governance Frameworks

The size of boards

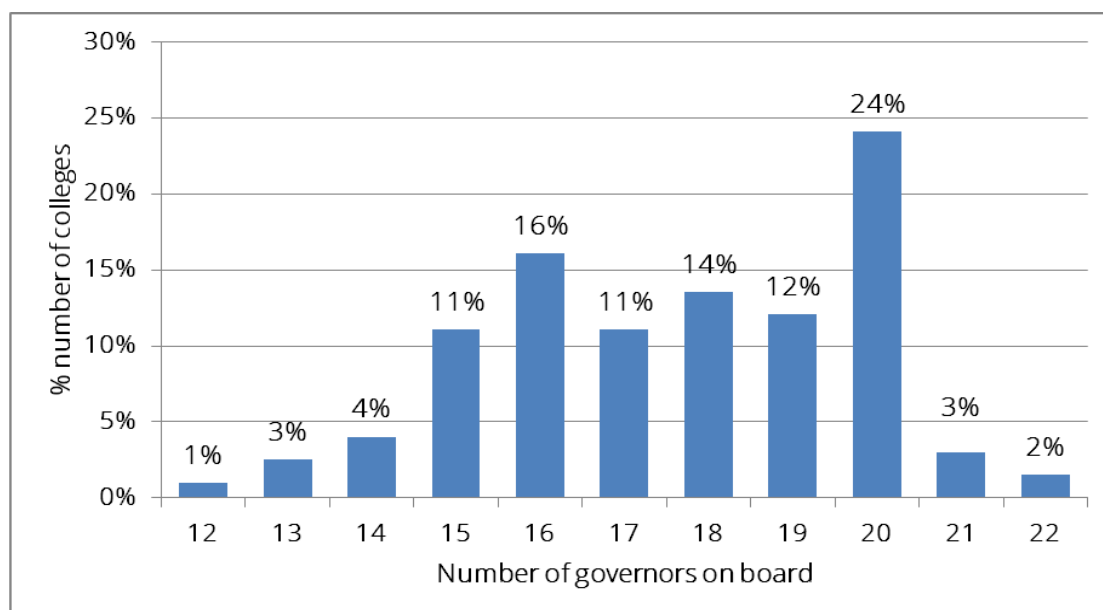
72. The average size of boards has changed very little since the 2013 survey (see figure 25). The typical general further education college has a board of 17 governors and a sixth form college typically has at least one more governor.

Figure: 25: Average size of boards

	Average (mean) no. of governors on boards	
	2015	2013
College sector	17.7	17.5
GFECs & Tertiary Colleges	17.3	17.3
A&HCs	17.6	18.5
SFCs	18.6	18.1

73. As figure 26 shows the size of boards ranged from 12 governors (two GFECs) to 22 governors (three GFECs). The survey identified nine colleges (5%) that had used the flexibilities provided under the Education Act 2011 to increase their board sizes above the maximum set in the unmodified Instrument and Articles of Government (I&As) for their colleges.

Figure 26: College sector - number of governors on boards

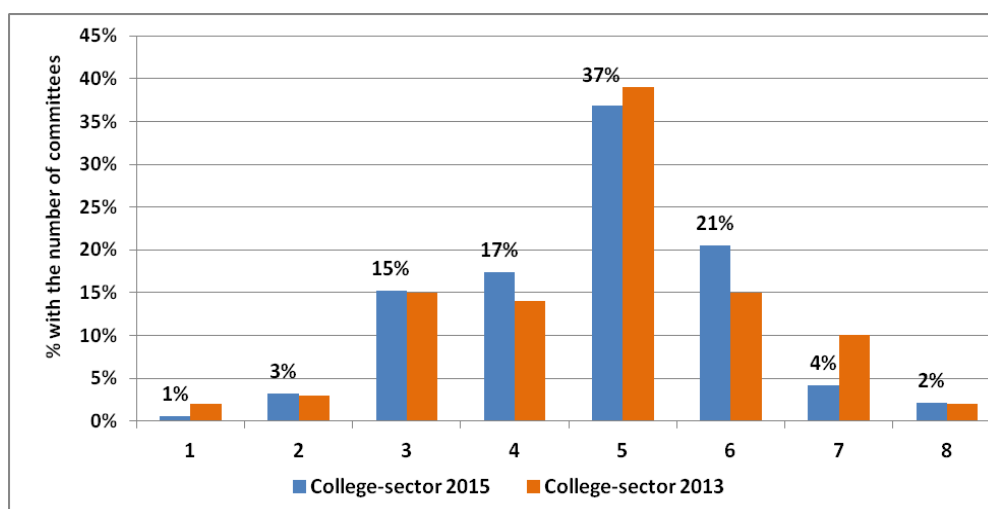


74. In response to a new question, the survey identified ten colleges that appoint governors to attend and participate in board meetings but who do not have voting rights. Some of these colleges referred to these positions as associate governors. In one college it is applied to two Members of Parliament and in another it was a former chair of board. This relatively small number is not included in the analysis on the size of boards in this report.

Numbers of committees

75. The survey asked the number of committees that colleges have. As figure 27 shows, there is little change since 2013 with a typical college continuing to have five standing committees. Once again the term *standing_committee* is adopted and defined as one that has been formed with a view to having a continued existence to do assigned work on an ongoing basis. As such it excludes committees set for a specific purpose with a limited life.

Figure 27: Number of committees in 2015 and 2013 comparatives



76. The typical model is for a board to be supported by committees covering the following areas:

- Audit (and risk management) committee – the only mandatory committee
- Search and Recruitment - 94% of colleges
- Remuneration - 93% of colleges
- Finance - 77% of colleges (74% GFECs; 84% SFCs; 78% A&HCs)
- Quality, Standards and Achievement - 74% of colleges (74% GFECs; 70% SFCs; 86% A&HCs)

Terms of office

Governors

77. Responses to the 2013 survey identified that while a standard term of office is set for independent/external governors, lesser lengths of office are sometimes set for student and parent governors to practically reflect the nature of their engagement with the college. Accordingly the 2015 survey focused on the terms of office of independent/external governors.
78. Eighty-six percent of colleges set a standard term of office of four years for their independent/external governors and 11% set a term of three years.
79. Sixty-one percent of boards (122 in survey) set a standard maximum term for their independent/external governors. This was 55% in 2013. Figure 28 shows the range of maximum standard terms that the 122 told us they applied. Understandably, most are permutations of three or four year standard terms of office.

Figure 28: Maximum terms set for independent/external governors

Maximum standard term in years	No of colleges	% of responses
6	2	2%
7	1	1%
8	77	63%
9	13	11%
10	3	2%
12	18	15%
16	7	6%
Other	1	1%

Chairs of boards

80. The survey asked whether boards set a standard term of office (period of appointment) for the chairs of boards. Seventy-eight percent (155 colleges) said their boards set a standard term of office for chairs. Twenty-two percent (43 colleges) said their boards do not set a standard term of office for their chair.
81. The response to this question appears inconsistent with the responses to the 2013 survey. In the 2013 survey, clerks were asked to specify the term of office of their chair and were given options to specify the number of years or highlight a “no policy” option. Only 4% of responses highlighted the “no policy” option. One factor may be that the question in the 2015 survey is much more direct: “do you have a standard term of appointment for the chair of your board?”
82. As figure 29 shows, of those 155 boards that set a standard term, 32% set this at one year and 34% two years.

Figure 29: Terms of office for the chairs of boards

Standard term of office for chairs of boards			
Maximum term in years	No of colleges	2015	2013 ¹⁶
		%	%
1	49	32%	30%
2	53	34%	30%
3	21	14%	16%
4	27	17%	22%
5	0	0%	0%
6	2	1%	0.6%
8	2	1%	0.6%
9	1	1%	0.6%

83. The survey asked whether boards set a maximum term for the role of chair. Clerks confirmed that 70% of colleges (140 colleges) do not set a maximum and in 30% (59 colleges) do. Of the 155 boards in the survey that set a standard

¹⁶ The results for 2013 have been recalibrated from the original data to show comparable data.

term for the appointment of their chair, 57 (just over one third of this subset) have policies to set a maximum term and 97 do not.

84. Figure 30 shows the analysis of the 57 responses provided on the range of maximum terms of office set.

Figure 30: Standard maximum terms of office for the chairs of boards

Standard <u>maximum</u> term of office for chairs		
Maximum term in years	No of colleges	% of colleges
2	1	2%
3	5	9%
4	15	26%
5	1	2%
6	12	21%
8	18	31%
9	2	3%
10	1	2%
12	2	3%

85. The 2015 survey confirmed that at that time there were no vacancies for chairs of the board. We did however ask whether boards had appointed vice-chairs and 97% confirmed that they have and 44% (87 colleges) reported that the board had appointed a vice-chair as part of its succession strategy.

Changes to constitutions and business structures

86. The 2015 survey builds on the questions asked in the 2013 survey about the extent to which colleges had sought to use flexibilities promoted by the Education Act 2011.
87. Part 1 of the report has highlighted where some colleges have made changes to areas of their governance framework. For example colleges increasing the size

of the boards to excess of 20¹⁷, the appointment of additional executive (ex-officio) governors other than the principal and a few where they have introduced new categories of governor with no voting rights on the board.

88. Asked further about the use of the flexibilities promoted in the Education Act 2011, 17% (34 colleges in the survey) have used them to develop a more complex governance structure.
89. In terms of business models, 29 colleges (15%) classify themselves as operating within a group structure (11% in 2013). Of these, 20 colleges (10%) confirmed they operate in a group with another college and/or educational institution.
90. In response to a new question in the 2015 survey, 21% (42 colleges) say they are in a shared services arrangement with either another college or another educational institution.
91. Thirty percent (59 colleges) sponsor another educational institution (academy, free school, university technical college or studio school). This compares to 23% in 2013. Focusing on the thirty-six colleges who sponsor academies (narrow definition¹⁸), between them, they sponsor sixty-eight academies – that is a simple average of just under two for each college.
92. The 2015 survey also sought further information on the extent to which colleges have used the flexibilities promoted by the Education Act 2011 to make changes to their Instrument and Articles of Government. In the 2013 survey 51% of colleges said they have made changes to their Instrument and Articles of Government and a further 29% said they may make changes in the coming year.
93. By March 2015 the survey confirms that 79% (157 colleges) have made changes. In providing this headline figure the 2015 survey explored in more detail what changes colleges had made. As figure 31 shows, the most popular changes are for boards to provide for electronic notice of meetings (56%),

¹⁷ The unmodified Instrument and Articles of Government that underpin the constitutions of most colleges except a small number of sixth form colleges (with voluntary control arrangements) set a maximum board size of 20.

¹⁸ The Academies' Programme is sometimes defined as including academies, free schools, university technical colleges and studio schools. This relates purely to academies .

permit written resolutions (46%) and to permit telephone participation in board meetings (41%).

Figure 31: Changes to the Instrument and Articles of Government/governance frameworks

Change	Change made	Considering a change	No change made
To provide electronic notice of meetings	56%	15%	29%
To permit written resolutions	46%	12%	43%
To permit telephone participation in board meetings	41%	17%	42%
To provide for chair's actions	29%	10%	61%
To reduce the size of the board	27%	8%	65%
To introduce express powers to suspend governors	19%	12%	70%
To amend the assessment of quoracy	16%	7%	77%
To introduce wider powers to remove governors	14%	11%	75%
To promote greater delegation of powers to the executive	8%	10%	83%
To introduce wider powers to remove the chair or vice chair	7%	6%	87%
To vary the majority needed to carry a resolution dependent upon the type of change being made	6%	4%	90%
To remove of senior post holder designation	5%	4%	91%

94. Finally on this topic, as figure 32 shows, the survey asked clerks to assess how significant the changes have been to the college's Instrument and Articles of Government. Of the 182 colleges that responded 4% assessed the changes to be at the significant end of the scale.

Figure 32: Significance of changes to the Instrument and Articles of Government

Ranking of significance of changes to the Instrument and Articles of Government where 1 indicates minor changes and 5 significant changes				
1	2	3	4	5
45%	26%	25%	2%	2%

Recruitment, refreshing and training boards

95. Figure 33 ranks the methods used by colleges to identify suitable candidates for possible selection by their boards and figure 34 provides data about how recently colleges have refreshed their boards¹⁹.

Figure 33: Methods used by colleges to identify possible new governors

Method of identifying new governors	No. of colleges responding	% of colleges using method
Personal contact ²⁰	194	96%
Targetted recruitment	176	81%
SGOSS ²¹	168	55%
Advert	164	54%
Agency	107	3%

96. As figure 34 shows, 82% (160 colleges) have reviewed or refreshed the number and composition of their boards for skills, expertise and experience in the last year.

Figure 34: How recently the board has reviewed or refreshed its numbers and composition for skills, expertise and experience

Timing of when board was last reviewed or refreshed	No. of colleges responding	% of colleges
In the last year	160	82%
1-3 years ago	18	9%
4-6 years ago	1	0.5%
College is about to	16	8%
Probably need to in the next year or so	1	0.5%

97. The survey asked how many governors²² had attended any training or development in the last year (2014) either arranged in the college or provided

¹⁹ In part 1 of the report (figure 23) clerks told us that they find skills and expertise in finance and law the most difficult to recruit.

²⁰ **Where a college uses its own governors' networking and contacts as a means of identifying possible new governors**

²¹ Formerly School Governors' One Stop Shop.

²² Excluding executive (ex-officio) governors.

externally. As figure 35 shows 174 colleges told us that 709 of their governors had attended induction training (internal or external) in the last year – that is on average four per college. This represents 87% of colleges. Only 5% (10 colleges) said that none of their governors had attended induction training.

Figure 35: Governor training and development

Type of training or development	No. of colleges responding	No. of colleges whose governors attended	No. of governors attending
Induction	184	174	709
Networking	148	141	942
Subject-specific training	183	179	1894

98. Around 950 governors have attended networking events and nearly 1900 have attended subject-specific training. The 141 and 179 colleges in figure 35 represent 70% and 90% of colleges respectively whose governors have attended networking events and subject-specific training in 2014.

Governance codes

99. Seventy-one percent of colleges report compliance with the English Colleges' Foundation Code; 54% with the English Colleges' Foundation Code and its Audit Annex; and 51% with the UK Corporate Governance Code. Thirty-one percent of colleges (61 in the survey) report compliance with both the English Colleges' Foundation Code and the UK Corporate Governance Code.
100. Figure 36 shows the range of compliance options that colleges have adopted in terms of the codes (at the time of writing – before the uptake of the revised FE Foundation code issued in March 2015). Where a college has adopted a code or an option it is shown with a ✓ and where they have not ✗. As the figure

shows, 14 colleges (11 sixth form colleges) said they were not following any of the codes. Ninety-four percent of colleges (187 colleges) responded to this question.

Figure 36: Compliance with governance codes

Number of colleges	FE College Foundation Code	Audit Annex to FE Foundation Code	UK Corporate Governance Code	% of colleges responding
16	✓			9%
56	✓	✓		30%
38	✓	✓	✓	20%
23	✓		✓	12%
2		✓	✓	1%
6		✓		3%
32			✓	17%
14	✗	✗	✗	7%

Part 3: The Methodology

101. The AoC commissioned Godbold Consultancy to build on AoC's 2013 governance survey and report on the Composition of English Further Education Corporations and Colleges Governance Frameworks 2014. The project is sponsored by the Education and Training Foundation.
102. The survey was completed by nearly 200 colleges. One hundred and ninety-nine colleges submitted data in response to part 1 of the survey and 187 colleges in response to part 2. Part 1 mainly focussed on the governance framework of colleges, and part 2 on the profile of governors. All the data on individuals was collected in an anonymous form – not naming any individual. The survey invited responses from clerks in March 2015.
103. The survey collected data on 3511 governor positions. The overall response rate for the survey is 60% for Part 1 and 56% for part 2 (using a baseline of 332 colleges). Figures 37 and 38 show the response rate by type of college and region respectively.

Figure 37: Response rate to the 2015 governance survey by type of college

Response to governance survey 2015 by type of college			
Type of college ²³	No. of colleges (baseline)	No. of responses	% Response rate
GFECs	219	131	60%
A&HCs	15	14	93%
AD&PAs	4	1	25%
SFCs	94	53	56%
All colleges	332	199	60%

²³ GFECs – general further education colleges (including tertiary colleges); A&HCs – agricultural and horticultural colleges (also referred to as land-based colleges); AD&PAs – art and design and performing arts colleges; and SFC - sixth form colleges.

Figure 38: Response rate to the 2015 governance survey by region

Response to governance survey 2015 by region			
Region	No. of colleges (baseline)	No. of responses	% Response rate
East Midlands	23	11	48%
Eastern Region	31	26	84%
Greater London	44	17	39%
North East	20	13	65%
North West	56	39	70%
South East	57	33	58%
South West	29	22	76%
West Midlands	38	21	55%
Yorkshire & Humber	34	17	50%
All colleges	332	199	60%

104. As with the 2013 survey, this research focusses on the English college sector whose governance frameworks are underpinned by the unmodified Instrument and Articles of Government that were established as a mandatory governance framework on incorporation (1993)²⁴ and were updated thereafter. The research therefore does not cover the 10 special designated colleges and other non-English colleges whose governance arrangements may be different. Nevertheless the results will be of interest to them.

105. For the purposes of this research, the vast majority of colleges applied/continue to apply, with some variation, the standard (unmodified) Instrument and Articles of Government (either using the general or sixth form college model), and this is therefore the baseline for the changes this research is measuring. However, for a minority of sixth form colleges with a voluntary control background, there are some variations that need to be taken into account. For some of these sixth form colleges, their current Instrument and Articles of Government continue to include foundation and co-opted as categories of governor and some set no maximum size for their board²⁵.

²⁴ Under the Further and Higher Education Act 1992.

²⁵ The standard unmodified instruments and the model for most sixth form colleges specifies a maximum of 20 governors.

106. The results of this survey represent a sizable sample of colleges and as such the college sector will look to use the data to compare and benchmark their own college's position and assess the national position that applies across the English college sector. However while the results provide a snapshot of practices in colleges, they should not be taken as providing best practice benchmarks.
107. The data relates to those colleges that have chosen to respond and as such this may contribute to a bias in the sample that could impact on the reliability of the extrapolations for the sector as a whole. The analysis has not sought to measure the likely impact. An alternative, more robust approach might have been to issue the questionnaire to a randomly selected sample.
108. The analysis shows averages. Unless otherwise stated, the average presented refers to the mean average. While this can have limitations, it is the most frequently used form across the college sector and as such the most readily understood.
109. While the overall response rate is fairly good there is quite a wide regional variance. For most questions it has been assumed that this is not likely to impact on national projections. It is however evident from the data on ethnicity that the regional variation might impact on national projections. The national picture for ethnicity is therefore based on weighted projections taking into account the relative size and the number of responses from the regions.
110. The reliability of subsets of data is less robust when small subsets are considered. Further, applying percentage changes in these circumstances can exaggerate the significance of change.
111. While some terms for types of governor are defined within the FE Instrument and Articles of Government and supporting documents, others are not. For convenience, this report has adopted the terms and descriptors most commonly used across the college sector. These are covered in more detail in Appendix 1.
112. For the most part the data presented as a percentage is shown to the nearest whole number.

113. A working group was set up to agree the scope and tone of questions. The group comprised representatives from AoC (nationally and regions), Education and Training Foundation, Governors' Council, Sixth Form Colleges Association, 157 Group, National Clerks' Network (NCN), NUS, Unison, UCU, Women's Leadership Network, the Network for Black Professionals and Landex.
114. A clear view of the working group was that the 2015 survey should provide a level of detail that was not covered in the 2013 survey and should particularly look at the profile of each type of governor rather than governors as a group.
115. Additional contributions were received from the Department for Business Innovation and Skills, Eversheds and Dr. Ron Hill. The survey was piloted by members of NCN in February 2015.
116. I am most grateful for all the support, contributions and advice I have received.

Appendix 1

Terminology used in the report and survey

While some terms for types of governor and other governance terms are defined within the Further Education Instrument and Articles of Government and supporting documents, others are not. For convenience, the survey and this report have adopted the terms and descriptors most commonly used across the college sector.

AD&PAs

Specialist art and design and performing arts colleges. They are regulated by the Department for Business Innovation and Skills. (There is only a very small number of these colleges.)

A&HCs

Specialist agricultural and horticultural colleges. They are sometimes referred to as land-based or rural colleges. A&HCs are regulated by the Department for Business Innovation and Skills.

Board

The term board is often used interchangeably with the term corporation in the college sector. The term board has been adopted in this report.

College sector

The college sector is defined as those colleges established as independent colleges under the Further and Higher Education Act 1992. This survey and report excludes the 10 special designated colleges which are not required to apply the Instrument and Articles of Government. The baseline is therefore 332 colleges

Co-opted governor

The term usually used to describe governors who have been specifically recruited, usually for their specialist skills and experience, to support a board. Normally co-opted governors support committees of the board and are not members of the board itself. While this is overwhelmingly the case, some co-opted governors are also members of the board.

For a small number of sixth form colleges under their unmodified Instrument and Articles of Government, the term also covers a category of governor who is a member of the board.

In the report the details on co-opted governors **on the board** are included within the data for independent/external governors.

Corporation

The term board is often used interchangeably with the term corporation in the college sector. The term board has been adopted in this report.

Executive governor(s)

This is the term used to distinguish governors who are the chief executive, principal or a member of the college's senior management team. They are members of the board by virtue of the executive position they hold within the college. The term ex-officio is also sometimes used. The unmodified Instrument and Articles of Government allow the principal alone to be the only executive governor on the board. Some colleges are now using the new flexibilities to amend their Instrument and Articles of Government to appoint more than the person to this position.

Foundation governor(s)

This term is used within some sixth form colleges and has therefore been included within this survey. However, unless specifically stated, in the report they are treated as independent/external governors.

GFECs

The term GFECs (general further education colleges) is used in this report to also include colleges which classify themselves as tertiary colleges. GFECs are regulated by the Department for Business Innovation and Skills.

Independent/external governor(s)

We have adopted the term independent or external governor to define a college governor who is not a student governor, staff governor, parent governor or executive governor. Though they constitute the largest type of governor on a board, they are not given a distinctive label in the Instrument and Articles of Government. Independent or external governors are the two most common terms used in the English college sector to label these governors. The term business or employer governor is also sometimes used.

SFCs

Sixth form colleges are regulated by the Department for Education

Tertiary colleges

The term GFECs (general further education colleges) is used in this report to also include colleges which classify themselves as tertiary colleges.