



# UNISON Scotland Response Scottish Code of Good HE Governance

## **Introduction**

UNISON is the largest trade union in Scottish public services. Our members deliver services, pay taxes and also have a wider citizenship interest in how services are provided and paid for. In higher education UNISON members deliver essential services including cleaning, advice, administration, libraries, technical and research support, IT, finance, learning and student support services, security, porter services and management. These employees are often the face of Scottish universities and contribute a great deal on the overall student experience, providing the foundations for high quality learning for all. UNISON is keen to move forward to more modern and effective governance particularly improving the role of staff and their representatives on governing bodies. UNISON Scotland therefore welcomes the opportunity to respond to this consultation.

## **Response**

Democratic structures create public bodies which are open and transparent in their dealings with the public. Universities are not businesses, they are not owned by principals or senior managers, but rather they are societal institutions which are as much owned by the students and the staff who work there as their senior managers. Universities benefit not only the students who study there, but also the economy and society in general. They also receive substantial sums of public money. Therefore universities must be accountable to the communities which they serve. This is why UNISON believes that the principles laid out by the Independent Commission on Good Governance in Public Services (2005) should apply to universities. Even private sector organisations are required to have a level of corporate governance and openness.

Those appointed to governance roles should be:

- Focusing on the organisation's purpose and outcomes for the citizens and services users
- Developing the capacity and capability of the governing body to be effective. Performing effectively in clearly defined functions and roles
- Promoting values for the whole organisation and demonstrating good governance through behaviour
- Taking informed transparent decisions and managing risk
- Engaging stakeholders and making accountability real

It is now four years since the Post-16 Education Bill was passed by the Scottish Parliament. The fact that it has take so long to get as far as the draft code of governance is evidence of the level of resistance to change and a more open system of governance amongst some in senior roles in our universities. It is therefore essential that the code is robust and clear about the role of universities in our society. It must also be very clear about the role of governing bodies in ensuring that institutions are properly run, and open and accountable for the decision they and the senior management teams make about institutions which play such a vital role in our society. The guidance still lacks clarity

about who or what organisation the boards can be held accountable by. What is the role of the Scottish funding council or indeed Scottish ministers? What happens if the boards are not working effectively or fail to follow the guidance? UNISON is therefore keen to see a speedy introduction of the new code.

Given the significant of a code of governance UNISON brought members working in higher education together to work through the draft code in detail and the following section by section response contains their detailed comments.

## **Foreword**

Members welcome the clear statement about the role of universities in our society and felt that the statements that:

“The Governing body must both lead and exemplify the institution’s approach to equality and diversity to social responsibility.”

And

“Awareness of funding sources” were particularly important and welcome.

The code lacks clarity on:

- Accountability is vital to ensure that funding is appropriate and ensures compliance with the institution’s mission statement
- Institutions to be aware of economic challenges when attracting students (young and old) and staff. This is a more significant issue now than in the past due to Brexit
- Education of sources of funding and understanding budgetary spending (where from and to)

## **Definitions**

UNISON is concerned that the section on elected or union staff member is not clear enough on the fact that the elected members should be one academic and one support staff. This stipulation is clearer later on in the code but the definition section should also make that clear.

Chair should be independent. ‘Senior lay member’ is not a term that should be acknowledged ie chair should not be voted from own member.

Members also noted that there is no definition of Senate Assessor in this section and would like to see clarity that the role of Senate Assessor is not to be substitute for non academic and/or elected member

**Section 1:** Members generally welcomed this section in particular the clear statements about what “must be done. Comments included:

*“All paragraphs have a lot of musts (ensuring compliance)”*

*“The nine principles are in the best interests of everybody involved.”*

And “Everything that follows from the high levels of social responsibility is fantastic”

*“The section is all very well worded and supportive of all staff”*

UNISON welcomes the recognition in **section 13** that there is a risk when delegating authority to committees and welcomed clarity that accountability still lies with the full

governing body. This section should though be clearer as to how the full governing body is able to be fully informed about the discussions/decisions of sub-committees so that they can be aware of decisions that they are ultimately responsible for. The issues raised in the parliamentary inquiry round severance payments to the principal at Coatbridge College and the decisions made by the subcommittee there show why clarity and oversight are essential.

## **2 – Governing Body Membership**

The old code stated that board membership should not exceed twenty-five. UNISON believes this limit should remain. Boards could “comply or explain” why they need more members.

The opening paragraph on the recruitment of members should contain a reference to public equality duties and a commitment to diversity and ensuring that boards are representative of local and/or university community.

**Section 15** -Governing bodies should be more representative of the community at large. The definitions of the skills required from board members need to be more specific and not weighted so heavily towards skills developed in a business setting. It is the skills round building relationships and team working which are sometimes labelled “soft skills” that are often lacking on governance bodies. Skills like finance or legal experience are simpler to define but all are essential to building strong governance. The impression is always given that skills like finance or law are only gained in a business setting so it is important to ensure it is the skill/competency that is advertised not specific jobs or employment sectors,

UNISON welcomes **section17** because it makes it clear that staff representative should be “appointed from their own number” and therefore that governing bodies should have at least one representative from non-academic staff. It is important to note that non-academic staff usually make up 50/50 or 60/40 of staff members in universities. Their contribution to universities is vital and their knowledge of how institutions operate is a vital voice on a governing body.

**Section 20** is very welcome. It is important that there is a reasonable turnover in the membership of governing bodies.

**Section 22** - members believe that while it is essential that the terms of appointment are clearly and publically stated there needs to be more clarity around existing terms and transition periods. We cannot have the same old people carrying on as normal on the new governing bodies.

## **3 – Responsibilities Of Governing Body Members**

UNISON welcomes the opening statements to this section, these are important principles and are not something that we believe are currently being followed. The guidance needs to be clearer about what happens if the principles are not being followed. Is there a role for the SFC or Ministers if the board is not acting in ways which meet these principles? UNISON would like the code to be very clear on this issue.

UNISON welcomes the principles outlined in paragraph 23. We suggest that removing the phrase ‘Not confine’ and replacing it with “*be actively encouraged to speak on areas out with what may appear to be their expertise*”. Paragraph 27: Again we welcome this clear statement that all members of the governing body are equal; this will be a very welcome change from the current position.

#### **4 - Equality and Diversity**

Equality and diversity should be mainstreamed into all decision making rather separate. UNISON believes that annual reporting is not acceptable. This should be a standing item on every board meeting agenda. Clearly each institution may have a different starting point so will have different goals but the guidance should give some examples of where boards should aim to be.

**Section 40** -While an annual report offers the opportunity to chart progress, or the lack of progress, each meeting should have an up to date report of interim progress. This will enable much more effective progress and mainstreaming of equalities into the work of the board and of the institution.

#### **5 – Effectiveness**

UNISON believes that the opening section is clear and forms an excellent basis for improving the effectiveness of university governance.

**Section 43** - UNISON believes that there is no need to specify student members in this section as it then goes on to say “and any others” it would be clearer just to state “members” or “individuals”. A new section could then focus on governing bodies work with student bodies.

**Section 48** There is no guidance on Standing Orders included in the code. Not including guidance on this area would be a missed opportunity, as they are a vital part of the governance process. Standing Orders once agreed must be publically available and easily accessible.

#### **6 – Key Roles**

UNISON would like to see the introduction on a section which makes it clear that pre meetings should be discouraged. Openness about decisions and the decision making process is vital therefore governing bodies must try to avoid “decisions” or “debates” being conducted before meetings. The meetings are where debate/discussion and decision should be made.

Register of interests: this register is a vital document it’s should contain details of all “interests” including other positions held on any bodies including directorships, shareholdings etc. The phrase “possibly seeking to do business with the university” does not cover the range of conflicts of interest that could possible arise nor allow proper scrutiny of the diversity of interests of those on governing bodies.

#### **7 – Committees and Academic Board**

UNISON believes that universities should have an Equality and Diversity Committee.

**Section 83** - UNISON welcomes the specific statement about giving due consideration to issues of equality and diversity and would like also like to see reference to the nine principles of public life included in this section.

**Section 87/88**- in the past it has been our experience that staff/trade union reps have been excluded from remuneration committees. We therefore welcome the guidance clearly stating that trade union and/or staff representatives can take positions on remuneration committees and that they should also be able to take part in the discussions round remuneration at the full board meetings. UNISON would also welcome additional guidance on the size of the remuneration committee. We also welcome the opportunity

offered by section 88 that this consultation process could become much wider than that and that widespread views from both staff and students should be sought.

**Section 89** -People are no longer willing to put up with payment for failure amongst highly paid senior staff working in any sector of the economy. This is all the more important where public money is involved. UNISON therefore welcomes this section of the guidance which highlights the importance of assessments of the individual's relative performance in relation to any severance payment.

Finally the guidance still lacks clarity about who or what organisation the boards can be held accountable by. What is the role of the Scottish funding council or indeed Scottish ministers? What happens if the boards are not working effectively or fail to follow the guidance? So while the guidance provides clarity about how the board will hold the university management teams to account there needs to be much more detail on the relationship and accountability of board to the SFC and indeed Scottish ministers for the outcomes agreed when they are allocated substantial sums of public money.

### **Conclusion**

UNISON is the largest trade union in Scottish public services. Our members deliver services, pay taxes and also have a wider citizenship interest in how services are provided and paid for. In higher education UNISON members deliver essential services. These employees are often the face of Scottish universities and contribute a great deal on the overall student experience. UNISON is keen to move forward to more modern and effective governance particularly improving the role of staff and their representatives on governing bodies. It is essential that the code is robust and clear about the role of universities in our society. It must also be very clear about the role of governing bodies in ensuring that institutions are properly run, and open and accountable for the decision they and the senior management teams make about institutions which play such a vital role in our society. The guidance still lacks clarity about who or what organisation the boards can be held accountable by. What is the role of the Scottish funding council or indeed Scottish ministers? What happens if the boards are not working effectively or fail to follow the guidance? UNISON is therefore keen to get an effective code in place.

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