



M O N O G R A P H

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# **RECOGNISING EXCELLENCE IN THE GOVERNANCE OF INDEPENDENT TRAINING PROVIDERS**

**Research Project**

Dr Susan Pember OBE

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# ABOUT FETL

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**The Further Education Trust for Leadership's vision is of a further education sector that is valued and respected for:**

- Innovating constantly to meet the needs of learners, communities and employers;
- Preparing for the long term as well as delivering in the short term; and
- Sharing fresh ideas generously and informing practice with knowledge.

## M O N O G R A P H

FETL monographs are short, forward-looking treatments of subjects key to the leadership of thinking in further education and skills. Written at the invitation of the Trust, they aim to influence leadership in and of the sector, taking its present needs and concerns as their starting point and looking deeply into the experience of colleagues in order to devise scripts for the future. As with all FETL's work, the intention is not to offer definitive solutions but to engage readers in further thought and debate about issues crucial to the development of FE and skills in the UK, often drawing on ideas from other sectors and disciplines. Each monograph concludes with a number of key ways ahead for the sector.

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# ABOUT AELP

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**The Association of Employment and Learning Providers (AELP) is a national membership organisation that represents the interests of more than 900 organisations.**

Its members deliver the majority of Britain's apprenticeships, traineeships and programmes for the unemployed.

**[www.aelp.org.uk](http://www.aelp.org.uk)**



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# FOREWORD

**Dame Ruth Silver**

**President, Further Education Trust for Leadership**

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Governance is perhaps the least understood and in some ways least transparent aspect of our public life. Governors have a hugely important role to play in holding leaders to account and ensuring that their organisations are run in accordance with their mission and values. Yet, in their own role they are often both under-supported and under-scrutinised. As a result, good governance is frequently overlooked, while poor governance can be allowed to fester.

Recognising this, FETL was delighted to be able to support the Association of Employment and Learning Providers (AELP) in a project to recognise excellent governance and to develop a code of good governance for independent training providers (ITPs). The code, which sets out the key principles which ITPs must adopt to show they are conducting business in the best interests of trainees, employers, key stakeholders and funders, is intended to contribute both to the success and performance of providers and to the overall reputation of the sector.

The latter point is crucial for a sector that is in receipt of government funding and which is expected to act autonomously in contributing to efforts to improve the country's productivity and deliver the technical and vocational skills it desperately needs. To acquire – and to deserve – the confidence of learners, employers, the government and other key partners, it must be able to demonstrate that governance in the sector is based on clear, consistent and sensible principles and animated by an evident commitment to both excellence and accountability in its leadership.

FETL is not about telling people what they should do but, rather, listening to their concerns and ideas and sharing what we learn. For that reason, we were pleased that the project began in the right place,

by harvesting evidence of best practice, both within the ITP sector and more widely, in other parts of tertiary education. This is crucial in securing sector buy-in and ownership of this important agenda. We know that where governance is good in the sector it is often very good indeed. But there are also cases where governance is not taken particularly seriously and its importance is not adequately recognised. This needs to change and the new code of governance represents an important step forward in this respect.

As with all FETL-supported publications, our main interest is in the use the sector makes of the work we have supported. There is a challenge here to leadership in the ITP sector: to demonstrate that the importance of good governance is recognised and taken seriously and to ensure that its focus is on the promotion of high expectations among trainees and staff, listening to students and staff, and the promotion of high-quality training, teaching and learning, and assessment. If we can do this, and promote the high-level expertise, commitment and transparency that characterises the best governance in the sector, then I believe this new code can support further improvements in leadership practice and, ultimately, the quality of skills training available in this country.

The code offers a draft framework with wide application within the sector, but it will only be meaningful if it is widely taken up. Providers should understand that the idea is not to tie them up with unnecessary rules and red tape. Instead, the code offers them a way of ensuring and demonstrating that they are governed by the highest standards in spending public money to contribute to a critical national policy agenda. Getting this right is good for learners, good for employers and good for the providers themselves.

# FOREWORD

**Martin Dunford OBE**  
**Chair, AELP**

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As providers of skills and training, we recognise that the governance of our organisations is an important part of our work and allows us to demonstrate that we spend public funds wisely and for the good of our trainees/students and apprentices and our employer partners. There has been some criticism of our sector and we were keen to explore and highlight the role of good governance among independent training providers. This research demonstrates there is much good practice in the ITP sector. However, it also highlights that there is more to do.

I would like to thank FETL for supporting this research, AELP members who worked with us on the project and those members who responded to the consultation survey, as well as those who opened their doors and allowed the project team to observe them in practice. I hope you will see that we have listened and taken on your ideas and comments.

The research project reviewed current practice in other sectors and the strategies they use to improve governance, including the use of governance codes, undertook a detailed evaluation of Ofsted judgements on governance in the ITP sector and observed board governance in action. This document brings together the governance themes that were identified as relevant to ITPs.

As the project progressed, it could be seen that one of the vital elements of good governance was having a clear narrative of what it looks like in a specific legal structure or vocational sector. As part of this work, the team explored whether the existing codes would work for training providers or was a tailored approach needed that recognised the financial and quality aspects of our work and the importance of ensuring the learner / apprentice received a first-class learning experience?



The bottom line is that good governance is no longer an optional extra. It is essential to ITP's effectiveness and probably their survival too. ITPs need to be able to demonstrate that they take good governance seriously, and this research project should help signpost how we can do that.

Through implementation of the ideas in this document and the recommended actions we can demonstrate that we have the interests of apprentices, trainees and learners at the heart of all we do.

# SUMMARY

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This project was commissioned to review the current form and effectiveness of governance in the independent training provider (ITP) sector, including the changing roles and responsibilities of directors and non-executive directors, to draw out and highlight good practice, and to disseminate this to a wider sector audience.

The project addressed the questions of what defines good governance in the ITP sector and what structures are needed to support and promote it. The project looked in detail at the comments and judgements of Ofsted inspectors made in their inspection reports, reviewed the shape and form of the sector via a semi-structured survey and undertook six observation visits to evaluate governance in action. Each section summarises the findings, and the report contains several short case studies of good practice.

The review also considered what is deemed to be good practice in other parts of the FE/HE sector, and best practice as described by the Institute of Directors and the Institute of Chartered Secretaries. The project also reviewed the changes to the UK Corporate Governance Code, Charity Sector Code and specific industry guidance.

As the project progressed, it was determined that in light of the emerging evidence from other sectors and the low take up of the use of a code, there was a need for a more robust approach to governance, and so a draft code of good governance for the independent training sector was developed as part of the project.

This draft code represents a standard of good governance practice to which all ITPs should aspire. It has been developed by the sector through a sector provider steering group and constructed so that providers can adapt it proportionately to their circumstances. It has been constructed so that, as a sector, providers can demonstrate they are taking governance seriously and ensuring accountability for public funds. But, more than just avoiding bad practice, it is about realising potential, understanding and maximising the difference ITPs make in supporting

the post-16 education and skills sector and how they change the lives of students, trainees and apprentices for the better.

The research has led to the conclusion that, although there is much good practice, governance is under-developed in the FE sector including amongst ITPs and more needs to be done to support good governance. This report concludes with 10 recommendations covering action for providers, AELP, Ofsted and the Department for Education (DfE).

## **Project rationale**

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The challenge of creating the environment for excellence in ITP governance at a time of rapidly evolving policies is no easy task. The main service offer is apprenticeships, and this is going through its most significant period of change in decades. The apprenticeships policy is not the only change, every part of the post-16 sector is transforming. The government is building an 'employer-led' skills system in which provision is increasingly being devolved to local areas; the role and purpose of qualifications is under question; and along with the introduction of new provision and funding streams such as T-levels, business risk is increasing and so the importance of good governance is becoming ever more important.

This inevitably brings uncertainty and insecurity, and whilst the political vision of putting employers in the lead may be perceived by government as a simpler and more manageable world, for independent training providers their role is becoming more complex. They must be accountable to learners, employers and, where relevant, the industry sector and communities they serve, and demonstrate value for money for large sums of public money, whilst often being the first communicator of new government policies.

New funding and increased public interest in apprenticeships also, understandably, brings with it more scrutiny and intensified interest in the business processes that surround ITPs, including a perceived bias that ITP governance cannot be as rigorous as public-sector systems.

## Project aims

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The project was commissioned to determine and recognise excellent practice in the ITP sector and had four main aims:

- To consider the role of governance in the delivery of the education and skills programme in the independent sector.
- To identify excellent practice and how it can be replicated throughout the ITP sector.
- To ensure this work complements the work being undertaken by the DfE on the college and higher education sectors.
- To determine a development plan to ensure the findings are cascaded to the rest of the ITP sector.

## Scope

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The project focused on independent training providers that were private limited companies, not for profit and charities.

## Project research topics

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The project concentrated on a review of:

- Current ITP's governance regulatory framework
- ESFA guidance
- Definition of good governance
- Existing governance structures
- Role of directors (executive and non-executive)
- Shareholder accountability (where relevant)
- The dual role of the owner/manager model where individuals are both company directors and chief executives
- Board structures – quality committee, finance, audit
- Board and governance support structures

- Role of the Board in assuring and monitoring:
  - Performance – financial position
  - Student/learner/trainee/apprentice success and progression
  - Quality of teaching and learning
  - Progression
  - Prevent/safeguarding
  - Subcontracting
- Board transparency
- Use of risk registers and external audit
- Executive remuneration

## **Project methodology**

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The review team used a mixed methodology comprised of interviews, desktop research, survey and corroborating findings by experts. This included:

- A detailed analysis of Ofsted reports.
- A review of existing relevant governance codes in relevant sectors.
- An online questionnaire survey of ITPs.
- Observation of boards to identify good governance practice.
- Workshops for sector leaders to present and consider the emerging findings.
- An extra activity was added, which was to produce a code for the sector.
- The draft code of good governance in the ITP sector was published by AELP and launched at the Annual Conference in London on 27th/28th June 2018.

## **Project accountability and steering arrangements**

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The project was steered by AELP membership groups through a task-and-finish group, chaired by the CEO of AELP.

## **Timescale**

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The project field work was undertaken between April and June 2018.

# SECTION 1

## GOVERNANCE DEFINITION

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There is much written on governance in general but, like many other sectors, the independent training provider (ITP) sector does not have an agreed definition of governance. To position and shape the work of the project, definitions used in other sectors and organisations were reviewed.

The most comprehensive definition of corporate governance is set out by the Organisation for Economic Co-operation and Development (OECD):

*Corporate governance is one key element in improving economic efficiency and growth as well as enhancing investor confidence. Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. **Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined.** Good corporate governance should provide proper incentives for the board and management to pursue objectives that are in the interests of the company and its shareholders and should facilitate effective monitoring.*

*OECD Principles, 2004, Preamble*

The Institute of Directors interprets the OECD statement in the following way:

*corporate governance means rigorous supervision of the management of a company; it means ensuring that business is done competently, with integrity and with due regard for the interests of all stakeholders. Good governance is, therefore, a mixture of legislation, non-legislative codes, self-regulation and best practice, structure, culture, and board competency.*

*The board and the individuals comprising it are at the heart of the company. They are the link between those who provide the capital and to whom they are accountable, and those who carry out the policies and decisions they make and who are therefore accountable to the board. Corporate governance exists to provide a framework within which these regulations can operate effectively, and the board can fulfil its key purpose.*

According to the UK Corporate Governance Code, the purpose of corporate governance is to:

*facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the company. The overall UK corporate governance system involves the interaction of large numbers of actors and processes, although major roles are played by boards of directors, shareholders, internal and external auditors, corporate reporting and the legal/regulatory framework of national corporate governance regimes.*

*GG1 - The 2017 Good Governance Report, IOD, 2017*

The college sector adopted a definition when they developed their good governance code in 2014.

*Governance is the act of governing – not managing. Governance provides strategic leadership and direction to an organisation. It sets and approves policies and the budget, defines expectations, delegates powers, and verifies performance towards delivering its strategic aims and objectives. The most important aspect is an appropriate division of responsibilities between strategic governance by the governing body and operational management by the College's senior management team led by the principal. This approach would be underpinned by the right level of checks and balances.*

*Definition of good governance from Creating Excellence in College Governance, AoC, 2013*

The Institute of Directors (IOD) has done much work in this area and has detailed the work of boards and tasks that boards should undertake. These include setting the vision, strategy and structure, delegation and

exercising accountability. For the purposes of this project, the IOD interpretation of the OECD definition was used as the working definition of governance and as a framework around which to build research questions and lines of enquiry.

## Excellent practice in governance at Ixion Holdings Limited

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### Defining and managing the mechanics of governance

The board implements excellent governance procedures and systems that are underpinned by the **Corporate Governance Manual**. This provides a very clear framework for the delegation of decision-making. It states that governance is value-driven and has checklists that cover:

- Decisions reserved to the board;
- Strategy, operating plans and budgets;
- Regulations and control;
- Appointments/dismissals/remuneration;
- Annual statutory audit and accounts; and
- Monitoring.

The Corporate Governance Manual also clarifies the decisions/duties delegated to: the board and/or sub-committees; the executives; and the Ixion management board, followed by specific delegated powers and the use of resources.

The board has two sub-committees that work to very clear terms of reference that ensure consistency in practice and focus. The board has a very effective financial committee and a separate audit and compliance committee. This committee has responsibility for auditing the quality of all aspects of all learners' provision against contractual requirements, company policies, strategies, procedures, etc. The processes are underpinned by strong corporate values to 'transform people's lives through skills, employment, enterprise and innovation for growth'.



# SECTION 2

## SHAPE OF THE SECTOR AND POSITION ON GOVERNANCE

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To find out more about the sector, and building on the IOD list of governance tasks, a survey was developed using a mix of closed and open questions. The survey concentrated on generating information on the shape and form of governance in the independent training provider sector. Appendix 1 details the questions. This section covers the results of the survey.

### General information

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A total of 98 responses were collected in May 2018. Seven of these were incomplete and removed prior to analysis. Of the remaining 91, 14 respondents answered the first seven survey questions but found those about boards not relevant.

Of the 91 responses, 42 (46%) are national providers, 75 (82%) are limited companies, 35 (39%) have fewer than 250 learners, 28 (31%) have £1m – £5m turnover with an additional 24 (26%) with less than £1m turnover. Around a fifth (17 or 19%) receive 100 per cent of their income from government and almost half (47, 52%) receive 88-99 per cent.

Sixty-four per cent of the 91 respondents did not know their Mayoral Combined Authority (MCA).

### Governance and Boards

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Of the 91 ITPs, 38 had a chair of board or trustees/directors, 34 chief executives, 10 shareholders, and 24 owners that are formally accountable for the success of provider organisations.

About a quarter (15) of the organisations said that they adhere to the UK Corporate Governance Code 2016; and eight adhere to the Charity

Commission Code of Governance. The majority of all 77 respondents to this question gave their main reason for non-adherence as: 'not applicable as not a listed company' (21 responses), 'too small' (20) or 'not a charity' (12). Several skipped this question suggesting that they weren't sure, so actual proportions are likely to be higher than those given here.

Governance structures were more typically either:

- boards made up of non-executive company directors and company executive directors – 27 organisations.

or

- owner and/or shareholder board to which the executive report – 22 organisations.

However, other models were also used:

- Nine have director executive groups;
- Six have a director executive group with external independent advisors or an advisory board; and
- Six are owner governed with no group or structure.

Eighty-seven per cent of the 23 providers that have a governing body or board reported their main purpose is to hold the executive to account.

These same 23 providers have the following sub-committees:

- Quality (17);
- Remuneration (10);
- Audit (9);
- Risk (9);
- Resources (3)
- Safeguarding (2).

Six do not have any sub-committees.

Thirty-five per cent of boards have between one and five members and 57 per cent have between six and 10 members.

Board members include:

- Executives (61%);
- Company non-executives (52%);
- Employers (43%);
- Owners (43%).

A few also had one of the following: staff/teachers/trainers/assessors; advisers; stakeholders; and learners and/or community members.

A little over half of the 21 respondents with boards said that members had been on the board for up to eight years (13) and three said that members had been on their board for over eight years.

The large majority of boards were rated very good or good at:

- Making decisions (78%);
- Transparency (78%)
- Ensuring there is a clear mission (78%);
- Managing risk (78%);
- Being strategic (74%);
- Recruiting members with the right skills (74%);
- Scrutinising and challenging performance (70%)

## **Company secretaries**

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Thirty-seven (60%) of the 62 respondents reported having a company secretary.

Of these, most, but not all, have one main function:

- 19 are secretary to the board
- 20 have a legal function
- 13 are responsible for reporting
- 15 oversee policies such as whistle blowing

In terms of who company secretaries work to:

- 13 work to the chief executive;
- 15 work to the board chair;

- 8 work to 'others', including as secretary to the owner and to the managing director; and
- in two instances the company secretary is also the managing director/CEO.

A little under half (26) of the company secretaries also have other roles within the organisation, which include: CEO; managing director; accountant; finance (director and manager); trustee; and HR.

## Effectiveness and support

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In response to a question concerning the overall effectiveness of governance arrangements from a legal perspective, of the 62 responses received:

- 63% said they are very effective;
- 29% said they are somewhat effective;
- 3% said they are not at all effective.

Numerous functions and roles were deemed *very* effective by the majority of the 62 respondents. This is on a five-point scale from very effective to ineffective.

- Procedures relating to safeguarding and Prevent (68%);
- Meeting contractual outcomes (63%);
- Achieving good financial health (61%);
- High-quality teaching and learning (60%);
- Equality policies (53%).

The following were deemed *very* effective by fewer respondents:

- Risk management (50%);
- Staff performance management and training (45%);
- Good use of staff views (40%);
- Good use of learners/apprentice views (39%);
- Setting senior staff remuneration (37%).

Approximately a third of the 62 respondents said that board members, senior executives, and others involved in governance need most support in the following areas:

- Being strategic (39%);
- Understanding performance data (37%);
- Understanding the requirements for Ofsted inspections (31%).

Around half of respondents would welcome support in the form of regular tailored information and/or webinars. A little over a third wanted face-to-face events or e-learning opportunities, and just over a quarter would like case studies.

Examples of good practice signposts were limited to:

- Ofsted reports;
- ETF Leadership hub <https://leadershiphub.etfoundation.co.uk/>;
- AoC website <https://www.aoc.co.uk/>;
- NCVO website <https://www.ncvo.org.uk/>;
- NELP website <http://www.nelp.org/>.

A few additional comments at the end of the questionnaire provided context and insight:

*...we are a very small ITP and our immediate governance board consists of representatives from within other council service areas. The strategic direction also falls within the scrutiny of elected members and council committees.*

*We are currently reviewing with the aim of appointing an outside person to better challenge everything we do.*

*As a CEO delivering public funded provision I have been recently trying to gain insight from FE Colleges on board governance and the expectations of OFSTED in challenge and monitoring – So this has come at a welcome time as an ITP we need support and [to know] where to turn.*

## Summary of survey findings

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- The survey of 91 ITPs suggested that governance structures are underdeveloped, with 67 per cent having no governing body, supervisory or advisory board.
- Boards are made up of a mix of executive and non-executive members, some with external independents, and 5 per cent of organisations surveyed are owner-governed with no structure. Eighty-seven per cent of those that have a board said the main reason was to hold executive to account. Twenty-three providers have sub-committees, including 17 with a quality committee. The majority self-rated their boards as good.
- Regarding adherence to existing codes, 25 per cent of ITPs surveyed adhere to UK CC and just under 10 per cent to the Charity Commission. Several indicated that no code of governance was applicable.
- The majority receive between 80-90 per cent of their income from government with 19 per cent receiving 100 per cent of income.
- One-third called for more support on 'being strategic' and on 'understanding performance data and Ofsted expectations of governance'.

# SECTION 3

## GOOD PRACTICE IN GOVERNANCE IDENTIFIED THROUGH OFSTED INSPECTIONS

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Independent training providers in the scope of this project are all obliged through their funding arrangements to register as an approved provider and as such are bound by the Ofsted Common Inspection Framework and resulting inspection process. Governance is an important part of an Ofsted inspection and there are underlying criteria for the judgements inspectors make, which are set out in the FE inspectors' handbook.

The Ofsted grade for overall effectiveness providers get can limit their ability to grow and has ramifications on their reputation and can (when poor) lead to closure. Therefore, Ofsted's views on governance are important and it is vital that providers get it right so that Ofsted can give assurance to government, stakeholders and apprentices that the provider is delivering an effective programme.

This section summarises inspection findings on the effectiveness of governance. It considers just over 120 full and short inspection reports published between September 2015 and March 2018 in the following types of provider:

- Independent learning providers
- Employer providers
- Not-for-profit providers

It highlights trends in governance based on inspection findings and identifies the main strengths, areas for development in governance and examples of good practice at each type of provider.

## **Excellent practice in governance at Skills Training UK**

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### **Ensuring progression**

The Skills Training UK board members are keen to ensure they have proactive progression strategies that ensure their learners/trainees and apprentices can progress from entry level courses through level 2 and 3 apprenticeships onto level 4 and 5 and degree programmes. The board ensures that it has the ability to drill down into the data and they corroborate their analysis by making time at board meetings to hear first-hand from their programme leaders and managers. This effective practice has given them the assurance they need that their policies are being acted upon and the staff involved are motivated and invigorated through the recognition of being asked to present their work.

## **Background to the inspection of governance**

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The role of governance in the independent training provider sector has only really been given priority in inspection, as it has in further education (FE) colleges, since the introduction of the Common Inspection Framework 2015. From its inception in 1993, the inspectorate for the Further Education Funding Council awarded a separate published grade for governance in all colleges. When the Training Standards Council, funded by the TEC National Council, was set up in 1998 to inspect the independent training provider sector for the first time, inspectors were required to make judgements on the effectiveness of leadership, but there was no specific reference to the role of governance.

The first Common Inspection Framework for the post-16 sector was developed by Ofsted and the Adult Learning Inspectorate in 2001. This meant that, for the first time, general FE colleges, sixth form colleges, local authority providers, independent training providers, employer providers and not-for-profit providers, were inspected under the same framework. Although inspectors' reports did not include a separate grade for governance, inspectors were able to award a subgrade for governance (unpublished) where they had sufficient evidence. This raised the profile



of governance, but the grade was frequently seen to be 'not applicable', especially the case in the independent training provider sector.

Over the next 14 years, the impact of effective governance, or lack of it, on the quality of provisions for learners was increasingly noted much more explicitly in inspection reports across all types of providers and in Ofsted annual reports for FE and skills. The Common Inspection Framework for FE and Skills 2009 and 2012 included the term 'governing or supervisory bodies' when referring to governance, thus widening the concept of governance for inspection purposes.

In 2015, the Common Inspection Framework became the single inspection framework across schools, early years, FE and skills, and non-association independent schools and it clearly stipulated the role of governance throughout.

Every Ofsted inspection report under this current framework has to include specific judgements on the effectiveness of governance, under the heading 'Governance of the provider'.

*The Further education and skills inspection handbook*<sup>1</sup> states that:

*Inspectors should consider whether governors or those in a similar role:*

- *know the provider and understand its strengths and weaknesses*
  - *support and strengthen the provider's leadership and contribute to shaping its strategic direction*
  - *provide challenge and hold senior leaders and managers to account for improving the quality of learning and the effectiveness of performance management systems.*
- (Page 35, para 164)*

It also states that inspectors will need to have access to 'the work of governors, board members or other supervisory bodies and their impact, where applicable'. (Page 15, para 59)

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<sup>1</sup> <https://www.gov.uk/government/publications/further-education-and-skills-inspection-handbook>

Similarly, letters completed after short inspections, carried out at providers judged to be good at their most recent inspection, identify next steps for the provider by listing the responsibilities of 'leaders and those responsible for governance'.

Ofsted has therefore now placed the role of governance central to its inspections and central to the responsibility for the quality of provision across all types of providers. This emphasis on governance in inspections has prompted many organisations in the independent training provider sector, including not-for-profit providers, to review their governance arrangements, especially if they do not have a formal board or supervisory body with a designated role of governance.

## **Inspection grades for overall effectiveness**

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*Table 1* provides the grades published by Ofsted for providers' latest inspection, according to inspection reports published by 31 March 2018. It also shows the number of providers, by each type, and those still to be inspected. It should be noted that providers judged to be inadequate are normally re-inspected within 15 months of the publication of their report. However, the Education and Skills Funding Agency (ESFA) reserves the right to withdraw the contract of providers, especially from the independent training provider sector.

The introduction of the levy for apprenticeships in April 2017 sparked off the increase in registered approved training providers. This also accounts for the large number of independent training providers still to be inspected. New providers are normally inspected within the first three years of operation.

**Table 1: Inspection grades according to the providers' latest inspection**

	Outstanding	Good	Requires	Inadequate improvement*	Total providers	Not yet inspected
Independent training provider	33 (10%)	228 (71%)	54 (17%)	5 (2%)	320	177
Employer provider	13 (28%)	23 (49%)	10 (21%)	1 (2%)	47	12
Not-for-profit organisations	8 (11%)	55 (76%)	7 (10%)	2 (3%)	72	0
Local authority providers	3 (2%)	110 (81%)	21 (16%)	1 (1%)	135	1
General FE colleges	24 (13%)	114 (63%)	41 (23%)	2 (1%)	181	1
Sixth form colleges	22 (33%)	33 (50%)	11 (17%)	0	66	0

\*Prior to 1 September 2012, providers with an inspection outcome of Grade 3 were judged as satisfactory.

## The inspection of types of provision

The Common Inspection Framework 2015 also introduced grades and inspection criteria for each type of the following types of provision: 16-18 study programmes; adult learning; apprenticeships; traineeships and provision for learners with high needs. Previously, grades were awarded according to the subject areas selected for inspection. This has meant that all of a provider's provision is considered by inspectors, even if there are only a few learners or apprentices in any single subject area. It is therefore important that those with a responsibility for governance have an oversight of the requirements for each type of provision they offer and how well they meet the criteria Ofsted inspectors consider for each one.

The new framework also requires inspectors to judge the effectiveness of safeguarding. This judgement acts as a limiting grade; leadership and management are normally judged to be inadequate at providers where safeguarding is not effective. Those with responsibility for governance are expected to provide accountability for the extent to which all learners and apprentices are safe and protected from harassment and discrimination and radicalisation and extremism.

## **Overview of strengths and areas for development in governance identified in Ofsted reports**

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As explained above, the Common Inspection Framework 2015, introduced in September 2015, has given governance a far more prominent role for every type of FE and skills provider. This enhanced focus on governance in inspections has been particularly significant for the independent training provider sector. Because there is no legislation or specific guidance on governance it has required inspectors and providers alike to identify what good governance looks like in this sector.

The inspection reports reviewed for this report have identified the following most common themes that feature in inspection reports for the independent training sector. These are:

- Structure of governance and the expertise of governors, trustees or those in a similar role.
- The understanding by those with responsibility of governance of the overall quality of provision and the provider's performance against key criteria in the Common Inspection Framework.
- Support and challenge for senior leaders and managers and the extent to which they are held to account for the quality of provision, learners' progress and the outcomes for all learners.
- The impact of governance on improving the quality of provision and outcomes for all learners, across all its provision, including at subcontractors.

The following section summarises the inspection findings on governance, including examples of good practice in independent training providers, employer providers and not-for-profit providers.

## Governance in independent training providers

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Independent training providers are generally limited companies specialising in training, wholly or partly funded through public funds. Some are charities and seen as third sector. All are on the ESFA provider register and as such are eligible to be inspected by Ofsted. These providers vary widely from small local or regional providers, often specialising in a few vocational areas, to national providers which may cover a broad curriculum. They may offer a single type of provision, such as apprenticeships, adult learning or study programmes, or a combination of these. The provision of study programmes is often for learners working at or below level 2 who have chosen smaller providers or learning centres in preference to large colleges. Boards of directors or trustees, where applicable, have overall accountability for the provision. Alternatively, this is the responsibility of a single chief executive or one or two directors.

### Structure of governance and the expertise of governors, trustees or those in a similar role.

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Inspectors' judgements often focused on the excellent knowledge of the relevant industry that senior leaders or governors brought to their role. They highlighted where board members had extensive experience of further education and skills and/or very strong finance and business acumen. In particular, they praised leaders for having a clear vision that informed the culture of the organisation and for setting high levels of ambition and a strong ethical framework. The extracts below showcase inspectors' reports that comment on leadership expertise and include providers that have brought in external expertise to provide independent scrutiny. For example:

*The senior leadership team and trustees have worked tirelessly to make sure that learners and apprentices benefit from high-quality education and training. Trustees are passionate and ambitious.*

*They challenge senior leadership team very well and have a clear and determined focus on continuous improvement as they strive to become a provider of outstanding education and training.*

**Interserve Learning and Employment (Services) Limited<sup>2</sup>**

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<sup>2</sup> The texts quoted in this section are taken from inspection reports and letters following short inspections, with minor edits to aid clarification.

*Governance arrangements are good. While there is no board of governors or directors, the CEO and the associate director have made good arrangements to quality assure the provision. The use of independent consultants to scrutinise performance at each of the centres is good. They provide effective challenge in relation to the achievement of key performance indicators set by the CEO for key aspects of operation.*

#### **MiddletonMurray Ltd**

*Since the previous inspection, the provider has recruited two new directors who specialise in adult learning and apprenticeships. This strengthens the board's expertise and ability to challenge progress and decisions. A team of three sector managers appointed over the past two years has increased the management capacity to respond to, and increase, the pace of improvement. Through their close monitoring of learners' progress, managers dealt with the 2015/16 decrease in learners' achievement rates and these are now high for adult learners and the majority of apprentices. The data shows significantly improved achievement for apprentices so far this year.*

#### **Rewards Training Recruitment Consultancy Limited**

*The chief executive officer has oversight of the provision and provides good support and challenge to the manager. An external consultant also acts as a critical friend and offers further independent scrutiny. Contacts with partner organisations are very effective and provide mutual support and critical insight.*

#### **Green Labyrinth**

*Directors have identified that the appointment of additional external specialists with a background in teaching, learning and assessment would give the board a better range of skills. The directors and senior managers have put in place effective performance management arrangements to improve the quality of learning and improve success rates on the majority of training courses.*

#### **The Child Care Company (Old Windsor) Limited**

Inspectors also highlighted different ways providers were trying to introduce independence into their governance. For example: at Nova Training, 'directors are establishing a partnership with another independent learning provider to provide external scrutiny and benchmarking of achievements for additional rigour in governance'.

### **The understanding of a provider's overall quality of provision and performance**

Inspectors found that those with responsibility for governance at good or outstanding providers received, understood and used relevant data on each stage of the learners' journey, from recruitment, attendance, learners' progress, their achievements and their destinations on leaving the provider. One of the most challenging aspects of governance for many providers is how to gain an overview of the quality of teaching and learning, especially for those whose expertise is in sectors other than education and training.

Inspectors commented that where leaders reflected on performance, quality improved. For example:

*Leaders reflect carefully on the performance of the organisation and have a good understanding of the key strengths and areas for improvement. They have high expectations of their staff and monitor progress across the country to ensure that improvement actions are effective.*

**ProVQ Ltd**

*As a result of effective governance structures, directors provide well-focused support and challenge to managers to ensure that the quality of teaching, learning and assessment is high and outcomes for apprentices and learners are positive.*

**Interserve Learning and Employment (Services) Limited**

*Directors receive accurate reports on the progress being made towards the very ambitious strategic aims and take prompt action to maintain a rapid rate of progress. They communicate regularly with their staff, both formally and informally, so that they can understand and respond to their feedback.*

**Northern Care Training**

## Well-informed challenge and support

Inspectors judged governance to be effective when board members had a good understanding of the provider's strengths and areas for improvement, and its current performance. The key to this was often the extent to which those responsible for governance received timely, comprehensive and helpful reports that included information about learners' and apprentices' progress and achievement and how well they used this information to hold leaders and managers to account for performance. For example:

*Senior leadership team and trustees identify underperformance quickly and accurately. Detailed analysis of a wide range of data enables them to track closely the performance of training advisers, training managers and apprentices. Identified weaknesses, such as too few health and social care apprentices completing their apprenticeship by the planned end date, led to the review of this apprenticeship. As a result, the length of the apprenticeship was identified as being too short and [was] subsequently extended.*

Sysco Business Skills Academy Limited

## The impact of governance on improving the quality of provision and outcomes for all learners

Evidence of positive impact of governance identified on inspection focused on how well governors or those in a similar role challenged leaders and managers to bring about improvements to the quality of provision and outcomes for all learners. Inspection reports also included examples of good governance that covered a wide range of aspects of provision, including staff development, resources, safeguarding and the implementation of government policy. For example:

*Governors and leaders took the brave decision to embrace the delivery of the new apprenticeship standards very early on, in 2016, and ahead of many providers, because you firmly believed in the benefits apprenticeship standards would bring to your learners. In having done so at such an early stage, they have faced the challenges often associated with the early implementation of change, such as lack of detail and clarity on new processes related to end-point assessment. As a result of this, the leadership*



*and teaching teams are making good use of the extensive knowledge they have gathered about the new standards. They have informed the awarding bodies' development and supported other providers and employers to adopt these.*

#### **JBC Skills Training Limited**

*Academy leaders have worked closely and very effectively with apprenticeship levy-paying employers, providing good support for the development and implementation of new standards-based apprenticeship programmes.*

#### **S&B Automotive Academy**

*Leaders and managers have rightly prioritised the participation of staff in a wide range of development opportunities that enhance their professional competence. Well-qualified tutors and assessors have very high expectations and aspirations for adult learners and apprentices. This ambitious vision contributes to a learning culture that expects all learners to progress rapidly and achieve their potential.*

#### **QDOS Training Limited**

*Leaders have developed an effective online apprentice incident tracking system linking directly with apprentices' hotels while they are on block release at the provider. As a result, managers are able to resolve quickly any issues to ensure that safeguarding arrangements for apprentices are strong. Consequently, apprentices describe feeling safe at all times and demonstrate confidence and maturity in their actions in the workplace, at the training centres and in residences while away from home.*

#### **ProVQ Limited**

*Directors and managers prioritise effective safeguarding arrangements throughout the organisation. The leadership team has ensured that safeguarding arrangements are fit for purpose and action is taken to safeguard learners. Mechanisms for reporting safeguarding incidents are effective and well known throughout ILE. Records of incidents are thorough and show that appropriate actions are taken in response to the rare incidents that occur. Managers have high expectations of safeguarding in*

*subcontracted provision and in other partners; they exercise robust due diligence procedures.*

**Interserve Learning and Employment (Services) Limited**

*Governors have made a substantial investment in learning resources, support teams and the professional development of tutors. This has allowed the senior leadership team to implement successfully the renewed development plan for the business. The two learning venues now present a well-equipped learning environment that welcomes learners and reproduces the professional standards found in the information and communication technology (ICT) companies they are based at.*

**JBC Skills Training Limited**

## **Governance in employer providers**

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Employer providers are companies, often operating nationally, that directly draw public funds through the ESFA to provide training for their apprentices. They usually specialise in the single vocational sector relevant to their business. Approximately two-thirds of the 22 employer providers whose full inspection reports were reviewed for this research provided their own training; seven providers subcontracted to a single training provider or multiple providers, including FE colleges. An executive board, where applicable, is normally ultimately accountable for the quality of the provision which may be managed by divisional or departmental directors or managers. In smaller employer providers, governance arrangements are often similar to independent training providers, where responsibility lies with the company directors.

Of the 39 employer providers which have had full inspections since September 2015 all offered apprenticeships, with only four also offering other types of provision. Nine of the 12 employer providers previously judged to be good, maintained this standard at a short inspection; one was judged to be outstanding and two required improvement.

### **Examples of good practice in governance at employer providers**

In the extracts cited below inspectors praised those in a governance role for their strategic influence in providing good-quality apprenticeships.

These companies value the role of apprenticeships in developing their workforce and monitor their apprentices' progress closely to ensure high levels of achievement. For example:

*The academy board is a global board represented by both UK and USA academy heads and all senior business managers. The board provides strategic guidance, oversight and constructive challenge. Learning councils provides a strong link between each business and the academy. They ensure performance monitoring of the provision and provide additional strategic direction.*

**Busy Bees Nurseries Limited**

*The board and the apprentice management team offer highly effective governance and set challenging targets for improvement throughout the organisation. High levels of expectation from leaders and managers have inspired staff to make a significant impact on sustaining the very high levels of apprentices' achievement.*

**Siemens PLC**

*Directors have an excellent understanding of apprenticeship provision. They often visit and shadow apprentices and managers to gauge the impact of their training at first hand. They provide careful scrutiny and strong challenge to managers, as well as good support for all staff to achieve high standards.*

**Busy Bees Nurseries Limited**

*An experienced executive board, shareholders and an educational advisory group understand their roles and responsibilities well and have a very good understanding of the priorities and expectations of Premier League academies. Shareholders have a direct input into the running and direction of the Premier League to ensure that their apprentices gain the skills required. All shareholders, board members and the advisory group members focus strongly on ensuring that apprentices are safe, given a good education and provided with opportunities to succeed both within football and within the wider community. They challenge senior managers appropriately.*

**The Football Association Premier League Ltd (Premier League)**

*Senior leaders have improved significantly the governance arrangements for apprenticeships since the previous inspection. The strategic Army apprenticeship management board is now much better informed about key performance issues. The board successfully challenges the operational-level apprenticeship boards within the capability directorates to improve performance. This has been achieved through a much-improved focus on high-quality performance and data reports presented by the business support team to each board ahead of their meetings. Clear improvement targets are set within quality improvement plans at each level and these include challenging expectations for minimum levels of performance. The management boards at each level monitor closely each directorate's performance against these plans. As a result, leaders and managers have a clear understanding of the strengths of the provision.*

Ministry of Defence (Army)

## **Governance in not-for-profit providers**

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Ofsted differentiates charitable organisations from independent learning providers by using a separate category, known as not-for-profit organisations. There are currently 72 providers registered for inspection, although this number can fluctuate as organisations are added when they contract with the ESFA to provide government-funded training for the first time or are deleted from the list when contracts are withdrawn. The current list of providers includes national organisations, small local specialist providers, voluntary sector organisations and employer-led training associations that are registered charities. The types of provision they offer are therefore equally varied depending on the overall aims of the organisation, be it to provide community or work-based learning for specific target groups or to support a specific industry. The proportion of their work that is government-funded training also varies widely. As all these organisations are registered charities, they are likely to have a board of directors or trustees that has overall accountability for the provision.

Of the 43 providers who have had full inspections since September 2015 some offer more than one type of provision. This depends on each

provider's overall purpose. All but two of the 28 providers previously judged to be good, maintained this standard at a short inspection; one provider was subsequently judged to be outstanding and one required improvement.

### **Structure of governance and expertise in not-for-profit providers**

Whatever the structure of governance at the provider, inspectors identified that governance was effective when it was centred on monitoring and achieving the organisation's strategic aims. Promoting high standards and ambition throughout the training provision was also a key strength. For example, the following extracts comment on structure in not-for-profit providers:

*Governance is very effective and constructive support and challenge take place with the senior team. Board members define and articulate the core mission of the organisation clearly and, together with the senior team, set highly appropriate plans to achieve their goals. The board oversees significant improvements and major strategic developments successfully to ensure that objectives are achieved for the education and training provision. Financial and contractual oversight is thorough.*

**Blackburne House Education**

*Directors recognise the need to strengthen succession planning. They have successfully introduced a new chief executive role to help deliver the organisation's mission and raise standards. Currently, directors are carrying out work to develop middle managers' roles and strengthen the provision's capacity to meet changes. The identified short-, medium- and long-term management development objectives align well to wider strategic goal achievement. Directors actively improve the effectiveness of governance arrangements. For example, they are piloting the use of data sets to give the board more pertinent and relevant information to inform incisive scrutiny.*

**Community Learning in Partnership**

*The board of directors receive a good range of timely information, enabling them to play a central role in the strategic direction of the company. Board members work closely with managers*

*to oversee quality and performance and provide good support and challenge to leaders to improve the provision. Following recent resignations from the board of directors, the directors are currently recruiting new members to ensure that the company maintains its arrangements for effective independent assessment and scrutiny of its performance.*

**North West Training Council**

*Senior leaders and managers demonstrate a high degree of integrity in their work. They are committed to continuously improving the provision and supporting learners to succeed. Subcontracted partners share the high standards and ambitions that senior leaders have for learners. Leaders and managers are successful in achieving their vision of reaching disadvantaged learners and improving these learners' prosperity through learning.*

**London Learning Consortium Community Interest Company**

*Well-qualified, committed and passionate board members support leaders and managers successfully. They work closely with leaders to make sure that courses meet local priorities well. Their strong business links help provide high-quality resources to support teaching and learning. Board members track financial performance effectively. Trustees join learning walks to help inform them of the quality of teaching and learning, and to meet learners. Recent new appointments have made sure that more board members have the educational expertise to question leaders about the quality of teaching and learning.*

**Slough Pitstop Project Limited**

## **The understanding of a provider's overall quality of provision and performance in not-for-profit providers**

Inspectors found that trustees or those in a similar role at good or outstanding not-for-profit providers typically received detailed and useful reports on learners' experience of their courses and on learners' outcomes. This gave them a good understanding of the quality of provision, especially where they had the expertise to scrutinise the data knowledgeably. This is especially important when provision is subcontracted to other providers. Inspectors' comments included:

*The board of directors provides effective oversight of performance and ensures that senior managers are accountable. Managers provide directors with regular, detailed reports on performance that help directors both challenge senior staff to make improvements and support them in doing so. Directors have a broad range of skills and experience. They have a very good knowledge of the strengths and weaknesses of the provision and work very well with senior managers to make improvements. For example, the board supported senior staff well in developing strategies to manage an underperforming subcontractor.*

London Learning Consortium Community Interest Company

*Governors play a full and active role in shaping the YMCA's strategic direction. They participate in strategic planning and review local labour market intelligence to evaluate the extent to which the curriculum meets regional needs. They regularly visit learning sessions and listen carefully to the views and opinions of learners to improve their understanding of the provision.*

YMCA Derbyshire

### **Well-informed challenge and support in not-for-profit providers**

Similarly, inspectors found that governance was effective when board members were prepared to challenge leaders and managers, especially about weaker aspects of provision or where there were discrepancies between the different data presented. The examples below show how board members use their expertise in the relevant industries to maintain a focus on bringing about improvements in apprenticeships.

*Board members ensure that the apprenticeship programmes are very responsive to local and national needs. Engagement with employers is particularly effective; Board members have a good understanding of the provider's strengths and areas for improvement, and its current performance. They receive comprehensive and helpful reports that include information about apprentices' progress and achievement. They use this information well to hold leaders and managers to account for performance at frequent board meetings.*

TTE Technical Training Group

*The group training association is owned and controlled by member companies through a board of trustees. Very knowledgeable and committed employers provide exceptional levels of challenge and support to the senior managers to hold them to account for their performance, thus ensuring that all apprentices receive high-quality training and support to become highly valued employees.*

Herefordshire and Worcestershire  
Group Training Association Limited

*Trustees are highly effective in scrutinising and challenging the executive management team. They ensure that the provision continues to meet the needs of employers in the construction industry very effectively.*

CITB

### **The impact of governance on improving the quality of provision and outcomes for all learners in not-for-profit providers**

In the examples below, inspectors have identified that effective governance has improved the resources and facilities for learners, the quality of subcontracted provision and the rates of apprentices' progress.

*Governors provide good support and challenge for senior leaders. They have challenged leaders about the quality of resources in hospitality, resulting in them investing in high-quality catering and restaurant training facilities at one centre, leading to improved retention and learner satisfaction. Governors have also challenged aspects of the provider's curriculum strategy, resulting, for example, in the recent cessation of provision in travel and tourism as it did not meet local priorities.*

YMCA Derbyshire

*Trustees and senior leaders have reduced the number of subcontractors they work with to increase their control over the quality of the provision. Managers identify and support effectively any remaining subcontractors whose performance is declining or not improving rapidly enough. Where there is no sign of improvement, managers terminate contracts and support learners well to enable them to complete their qualifications.*

Independent Training Services



*Board members are competent and committed, with a shared vision to achieve the best possible provision for apprentices. Board members are continuing to meet weekly and they systematically challenge and support senior managers to improve the quality of provision and achievement rates. Senior staff are now much more accountable for these aspects. For example, board members focus on apprentices' progress and when it is slower than anticipated, they want to know why and what action is being taken. They visit classes and employers and report on their observations. This is having a beneficial impact on the quality of apprentices' experiences on and off the job.*

*Alt Valley Community Trust Limited*

## **Areas for development in governance in the independent training provider sector**

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Since September 2015, Ofsted has published 20 reports in which providers from this sector were judged to be inadequate. Governance was judged to be ineffective at each of these. Inspectors also cited areas for development in governance in providers judged to require improvement and in a few reports on good providers.

Where governance was ineffective, the structure for governance was weak and board members, or equivalent, typically did not have a good understanding of their role. They often did not receive the information they needed to gain a clear oversight of the quality of the provision and outcomes for all learners. Reports to supervisory boards at these providers typically focused too heavily on financial targets and reports from external awarding bodies, and not enough on the quality of provision, with the result that managers did not invite or receive robust challenge from board members. Without sufficiently detailed information on the provider's performance in all aspects of its provision, those with responsibility for governance were not able to pose the necessary challenge or hold leaders to account for delivering a high-quality learning experience to all learners.

The greatest challenge for many governing board members seemed to be how to carry out their role in gaining an oversight of the quality of

teaching, learning and assessment. In the weaker providers, trustees or directors did not receive sufficient management information to provide a clear picture of the quality of teaching, learning and assessment. Their scrutiny of the judgements in self-assessment reports was also an area for development. At one provider, although each trustee had a key area of responsibility, none of the trustees oversaw teaching, learning and assessment. Where safeguarding was found to be ineffective, governance was also judged to be weak.

Inspectors focus on the impact of governance to bring about improvements in the quality of provision and outcomes for all learners. It is therefore important for board members to identify when there is a decline in achievement rates or learners' progress and to intervene to reverse it. In a few of the reports reviewed, inspectors found that board members believed that they challenged managers sufficiently, but these providers had not made sufficient progress against the areas for development identified on inspection. In other reports, board members had recognised a need to improve their effectiveness and had made revisions to their structure, membership and reporting processes. This shows the importance of regular self-critical evaluation of governance and its impact on all aspects of the provision.

## Summary of findings from Ofsted inspection reports

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### Effective practice has:

- Good underpinning structures
- Board members who are experts in the sector, funding, accounting and/or quality
- Board members who are independent and capable of challenging the executive
- Conversations and challenge which is healthy, open and robust
- Good use of data to ensure a quality experience
- Recorded action that is followed up

### Ineffective practice has:

- Poor structure and no board expertise
- No independent board voice
- Weak challenge and lack of oversight
- Lack of data
- Lack of challenge – no scrutiny
- Proposed action not followed up

# SECTION 4

## FINDINGS – PROVIDER OBSERVATIONS OF GOOD GOVERNANCE TO IDENTIFY GOOD PRACTICE

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This section covers the results of six observation visits and interviews. The visits were set up to observe boards in action, to identify good practice to share with others, and to test whether the areas identified in the survey and via an evaluation of Ofsted reports were also seen in practice. The observers were looking at board organisation, board business and board effectiveness. The observers also used these meetings and interviews to gather information on training needs, mentorship, induction for new chairs and company secretaries.

### **Board organisation and structure**

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From Section 2 it can be seen that Ofsted considers that having a formal structure is an important framework for ensuring good practice. The observation visits reviewed the structures and considered the following elements of board organisation.

- Board make-up – owner, directors, non-executive and independent
- Role of shareholders
- Governance structure – board and sub-committees, frequency
- Role of company secretary
- Legal status
- Delegation
- Values and ethos, corporate and social responsibility
- Transparency

From the six observations and in-depth interviews there were some common themes on governance. The main shareholder was often the chair and often the chief executive. The boards were made up of a mix of non-executives and directors and some boards had non-executive

independent members. All but one had a separate minute taker, but most did not have a governance professional doing organisation and acting as support to the chair. In some providers, there was clear delegation arranged through the chief finance officer. However, others relied on job descriptions to define job roles and responsibilities and these were dated. Directors' information for most was not on their website and none had their minutes of meetings on their website.

Examples of good practice:

- Boards were effective where values are the driver for the organisation's work, often successfully setting high standards, promoting high standards, ambition and innovation, with a strong focus on raising the quality of provision and outcomes for all learners.
- External input into board meetings by at least one non-executive member. To ensure independent scrutiny, several boards had appointed board advisors/non-executives who were tasked to provide challenge and enquiry. These externals specialised in finance and management, strategy and business, with one specialising in FE and policy, inspection, etc.
- Good representation of the local community and effective networking by the CEO, MD or equivalent.
- Providing local business community knowledge – one board had co-opted a member from the local employer network.
- Effective boards had a very efficient communications cycle and review of performance that incorporated well-informed narrative reports on all key programmes and aspects of provision. For example, regular safeguarding reports that were transparent, aided scrutiny and supported drill-down to ensure appropriate action had been taken.
- Effective boards had an open culture where issues were raised and aired, leading to frank discussions, suggestions, actions, and strategic decision-making.
- Effectiveness was enhanced when the CEO had an in-depth understanding of all of the provision, which allowed them to provide senior staff with highly relevant challenge and support.

## Board business

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The second area reviewed was whether the processes of governance were in place. The areas of focus were:

- Governance process – agenda setting
- Mission, landscape scanning, determining priorities, curriculum
- Data – student achievement, progress and destinations, benchmarking, national and sector class
- Assuring quality of teaching and learning, assessment
- Listening to the student
- Management of staff – people agenda
- Financial monitoring including partnerships, subcontracting
- Use of audit
- Use of risk management
- Monitoring of policies – equality and diversity, Prevent, safeguarding, health and safety, HR legislation, whistleblowing, GDPR
- Setting remuneration, benchmarking of salaries

For the majority of the boards reviewed, the CEO leads on governance and often chairs monthly management board meetings as company director and company secretary.

Most employed an independent accountant who also carries out some company secretary duties. The majority had monthly board meetings chaired by the CEO or main shareholder and attended by the senior management team and one or more non-executive board members. The meetings concentrated mainly on management issues.

## Good practice

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The following good practice was observed:

- Excellent use of data at finance meeting. The monthly finance meetings, also chaired by the CEO, are held directly before the management board meetings. These meetings involve a thorough analysis of finances – all four senior managers attending are very conversant with system, data and business processes.

- Very clear implementation of excellent governance procedures and systems.
- The values are the driver for all the company's work, successfully setting high standards, promoting high standards, ambition and innovation with a strong focus on learners.
- Thorough oversight of safeguarding practices.
- Meticulous compliance and audits of training procedures against requirement.
- Meticulous financial audits and monitoring – and risk assessments.
- Comprehensive reports and reporting, enabling board members to provide well-informed challenge and support.
- Very effective networking and sharing good practice with partners – including on governance.
- Innovative landscape screening for curriculum and strategy by bringing in an outsider once a year to talk about national and local policies, and advise on how to build on national systems (e.g. levy; 19+ loans); LMI; business developments.

## **Excellent practice in governance at Learning Curve Group (LCG)**

### **Challenge**

The two equity partners invested in LCG without a background in the further education and training sector, but were selected as they bought into the vision for the company and were committed to learning about the sector. All board members have participated in workshops delivered by the executive team to enable them to understand the FE and skills sector so that they can provide well-informed support and challenge to the executive team. The on-going training has been based on the Common Inspection Framework, Prevent Duty and Safeguarding using the information on the expectations of those in a governance role. The training has enabled the board members to build on their existing expertise and experience in the context of the breadth of LCG's work.

## Board effectiveness

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- Chairing
- Accountability
- Contribution
- Challenge
- Escalation of issues
- Declaration of interest
- Impact
- Selection, appraisal, time on board

All the boards observed were very focused and reviewed trainee and apprenticeship participation and success. Several focused on incorporating the company's values into all aspects of its work. When considering accountability, one provider demonstrated that when they selected equity partners for the business they would sign up to the values:

- Training for board members on what to challenge.
- A strategy for succession planning for members of the board and the executive team.
- The depth of reporting to the board by the executive team.
- Comprehensive and very successful implementation of the company's corporate social responsibility policy.

### **Excellent practice in governance at Mantra Learning Ltd**

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#### **Using non-executives**

The CEO of Mantra Learning has ultimate accountability for the quality of training. The management structure is very effective. It is based on a performance and communication cycle that focuses each month on gathering evidence on the performance and quality of provision in each brand for monthly senior management board meetings. The senior managers use data and their in-depth knowledge of the provision and programme requirements to present informative narrative reports.



Two non-executive consultants bring their respective expertise in financial and general management, and FE and skills policy and practice, including inspection. They attend senior management meetings and hold individual meetings with the CEO. They are particularly effective in carrying out their role in challenging the board members on their interpretation of the findings and any decisions taken. They are also effective in ensuring that the interests of learners, employers and stakeholders are represented.

## Areas for development

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Further aspects of enhanced governance that could be considered:

- Providers recognised that although their companies follow some very effective governance procedures, their boards are not directly guided by any of the relevant codes for governance.
- Greater transparency could be considered, especially on their websites as not all the providers had sufficient information on their governance processes or leadership structure, or on the values and principles that guide their company as a provider of public services.
- Gaps in the information on some (not all) of the providers' websites included: the complaints or whistleblowing procedures; annual reports such as the annual self-assessment report (or at least an executive summary).
- The self-assessment process could include an evaluation of governance.
- There is further scope for all board members to have direct 'hands on' experience of the provision through visits to learning sessions and discussions with staff, learners and apprentices.
- As the providers were judged to be good or outstanding, their boards could consider how governance needs to take into account that the company is unlikely to be inspected by Ofsted for some time.

## Summary of key findings

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- Mixed approach to governance structure.
- Good use of independents, non-executives and/or advisory members to provide challenge.
- Most meetings covered governance and operational management issues.
- Membership: Owner/shareholders and directors, with independent members.
- Good practice in use of data, strategic forecasting, holding the chief executive and group managers to account, financial appraisals and risk management.
- Robust focus on student/trainee/apprenticeship outcomes and progression routes.
- Comprehensive safeguarding policies and monitoring.
- Little evidence of the use of any of the governance codes used to shape practice.

# SECTION 5

## REVIEW OF GOVERNANCE CODES IN OTHER SECTORS

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This section covers the ways in which other sectors have used governance codes, agreed principles or frameworks to improve the effectiveness of governance. The most common strategy has been to develop and adopt a sector-specific code which draws on identified good practice in governance in the sector. There are several codes in existence which are relevant to independent training providers, the main ones being UK Corporate Code, Charity Sector Code, FE college and university codes and other sector specific codes such as that of the Sports Association.

The survey has shown that the ITP sector is reliant on public funds and as such should, where applicable, adhere to the Standards in Public Life (Nolan Principles).

When considering codes and how to develop a sector-based code, the research team met with the Institute of Chartered Secretaries and Administrators, governance specialists at DfE, Ofsted and other organisations which have recently adopted and implemented a code. The advice from these organisations was that the code by itself will not have impact. The code needs to be built into the formal infrastructure of accountability and implementation and needs to be supported with training and guidance material.

### **Specific relevant codes**

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#### **Standards in Public Life**

There is an expectation that those who are custodians or beneficiaries of Public Life and/or win through procurement a government contract should adhere to the Standards in Public Life.

#### **The Seven Principles of Public Life**

The Principles of Public Life apply to anyone who works as a public office-holder. This includes all those who are elected or appointed to

public office, nationally and locally, and all people appointed to work in the civil service, local government, the police, courts and probation services, NDPBs, and in the health, education, social and care services. All public office-holders are both servants of the public and stewards of public resources. The principles also have application to all those in other sectors delivering public services.

### **Selflessness**

Holders of public office should act solely in terms of the public interest.

### **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

### **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.

### **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

### **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing.

### **Honesty**

Holders of public office should be truthful.

## **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

Promoting the principles through government contracting is key to delivery of high standards. However, a recent report shows there is 'limited progress' on ethical standards in outsourced public services (CSPL latest report on ethical outsourcing, 10 May 2018). Although the majority of ITPs' funding comes from the public purse and the principles also have application to those in other sectors delivering public services, this has not been given much focus either by the funding body DfE or the sector itself.

## **UK Corporate Code**

The UK Corporate Governance Code 2016 sets standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with shareholders. All companies with a premium listing of equity shares in the UK are required under the listing rules to report in their annual report and accounts on how they have applied the code.

The code contains broad principles and more specific provisions. Listed companies are required to report, as part of their annual report and accounts, on how they have applied the main principles of the code. They must also confirm that they have complied with the code's provisions or – where they have not – provide an explanation.

If shareholders feel that a company has carefully considered the most appropriate governance structures for it, this can lead to higher levels of trust. Therefore, the quality of all disclosures is important even when companies are complying with all the provisions of the code. Other listed or unlisted companies may wish to adopt it in whole or in part.

UK Corporate Code has five themes and sets out principles under each theme.

Section 1 – Leadership and purpose

Section 2 – Division of responsibilities

Section 3 – Composition, succession and evaluation

Section 4 – Audit, risk and internal control

Section 5 – Remuneration

This code has matured over the last 10 years and has been redesigned to cover any new area, such as electronic fraud and data management. However, the code is generic and although very strong on financial management it does not cover the specific quality issues related to post-16 education and training and use of government funds.

### **Charity Sector Code**

The charity sector has had its own code of governance since 2005. The code is developed and owned by the charity sector and there is a steering group, the Code Steering Group (ACEVO, the Association of Chairs, Small Charities Coalition, ICSA: The Governance Institute, NCVO and WCVA). The Charity Commission supports the code and is pleased that the new version reflects the changing public expectations of charities, trustees and senior managers. The latest edition has raised the bar in response to the challenges that the sector has faced over the last two years.

When promoting the code, the overarching steering group is keen to stress that it is 'vital that charities get their heads around governance. Following good governance practices, not just paying lip service but really understanding and applying them, could have averted many of the bad headlines of the last two years. It's more than ticking the boxes. It's about attitudes and culture, whether a charity puts its values into practice. It's about how trustees make decisions and how well they understand what's going on. We have seen the consequences of failing to do that.'

The Charity Sector Code starts with a 'foundation principle'; it should be a 'given' that all trustees understand their legal duties (as explained in *The Essential Trustee*) and are committed to their cause and good governance. The code then develops seven principles.

## Charity Code principles

1. Organisational purpose
2. Leadership
3. Integrity
4. Decision-making, risk and control
5. Board effectiveness
6. Diversity
7. Openness and accountability

Two versions have been developed, one for large and one for small charities. Charities are being asked to sign up and, like the UK Corporate Code, this is an apply or explain process. Although the Charity sector code contains stronger recommendations on board diversity, tenure of board appointments and transparency around conflicts of interest, and has a better fit with the public interest part of an ITP's work, it is again generic and does not cover the specific quality issues related to post-16 education and training. Also, the majority of ITPs are limited companies and therefore the measures and principles around governance structures are interesting but not compatible with a limited company.

## Code of Good Governance for English Colleges

This code was developed by the sector body AoC in 2015 in response to a government (BIS) review of governance in FE colleges. The development was supported by BIS and was part of a set of initiatives to improve college governance. This code was considered in this research project as colleges are exempted charities and are limited by guarantee. Also, they are part of the FE systems landscape and fall under the ESFA for funding and Ofsted inspection in the same way as ITPs.

The college code contains:

- An initial statement of the core values and expectations that provide the context for the way in which college governance is conducted.
- The 10 governance principal responsibilities that support the values and are vital to successful implementation.
- More detailed consideration of each principal responsibility.
- A list of references and links to source documents and good practice examples.

The Code of Good Governance for English Colleges is intended to help governing boards meet and exceed basic governance requirements. As autonomous bodies, individual colleges are free to adopt the code as they see fit. The AoC suggests that colleges may wish to consider adopting the code at their summer board meeting.

The code was developed through a sector-wide process of consultation and replaces the Foundation Code. In the first stage of this development, the AoC held a series of development workshops attended by over 240 governors, senior leaders and clerks. Drafts of the code were shared with relevant departments and agencies. Following this, the resulting draft code was made available through an open consultation process, in which more than 160 colleges participated.

The code is a values-based code and tries not to cover all scenarios, but works on the premise that if governors and the executive share the same values they will come to the same sound judgements and decisions. It is based on values – respectful professional, prudent and passionate – and underpinned by the Principles of Public Life.

The code concentrates on 10 principles and is underpinned by key statements of ‘musts’ and ‘should’ and is an ‘apply or explain’ code.

## **Principles**

1. Mission and strategy
2. Collectively accountable, including transparent public reporting
3. Effective policies which facilitate the student voice
4. Fostering exceptional teaching and learning
5. Responsive to workforce trends
6. Financial sustainability and solvency
7. Effective control and due diligence
8. Exceed statutory equality and diversity responsibilities
9. Clear governance and management arrangements including remuneration
10. Regular review of governance effectiveness

The college code covers the relevant areas that are in the UK Corporate Code and key topics that are covered in the Charity Code, plus it also



highlights the good practice Ofsted is looking for and what funders expect. It has students at the centre and has a robust approach to challenge and expects transparency in governance. However, it was developed for exempt charities and therefore is not transferable in this format for ITPs which have a different legal status.

### **Summary of governance codes**

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- Key role in promoting good governance.
- Most sectors have a governance code.
- Need to cover financial and sector-specific standards.
- Good form of self-regulating.
- If receiving public funds, should be underpinned by the seven Principles of Public Life.
- Have most impact when part of the formal accountability system.
- Needs to be underpinned by guidance and training.

# SECTION 6

## DEVELOPMENT OF A CODE OF GOOD GOVERNANCE FOR ITPS

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One of the main aims of the project was to identify what strategies could be used to disseminate the good practice identified as part of the project. As the project progressed, the steering group was keen to see whether a code could be developed for ITPs and whether a draft could be tested on the sector through a series of workshops to determine how good it was.

A set of themes was developed based on a hybrid of the three most relevant codes. The set covered:

1. Leadership and purpose – staying true to the objectives of the company.
2. Clarity between the governance board, chief executive and management team.
3. Challenges and external/independent scrutiny of quality, performance and financial data.
4. Effective policies to ensure good teaching and learning and assessment, supported by the student/learner/trainee/ apprentice and employer voice.
5. Financial sustainability and solvency.
6. Effective control, risk management and due diligence.
7. Equality and diversity measures running through all activity.
8. Transparency – for example, whistleblowing strategy on website.
9. Regular review of governance effectiveness.

These were used at the workshop to determine whether they had any resonance with sector providers. At the workshop, a mock-up was offered to look at two themes in depth. The purpose of this exercise was to determine the language and the level of robustness, and where the 'musts' and 'should' were to be used.

An example of the mock-up is as follows:

### **Theme – Leadership and purpose**

A successful company is led by an effective and entrepreneurial board, whose function is to promote the long-term sustainable success of the company and, where relevant, generate value for shareholders, provide learners with a quality offer and contribute to wider society.

- The board should establish the company's purpose, strategy and values, and satisfy itself that these and its culture are aligned.
- The board should ensure that the necessary resources are in place for the company to meet its objectives and measure performance against them. The board should also establish a framework of prudent and effective controls, which enable risk to be assessed and managed and ensure value for money for public funds.
- In order for the company to meet its responsibilities to learners, funders, stakeholders, and, where relevant, shareholders, the board should ensure effective engagement with, and encourage participation from, these parties.
- All directors must act with integrity and lead by example in the best interests of the company. The workforce should be able to raise concerns in relation to management and colleagues where they consider that conduct is not consistent with the company's values and responsibilities.

The workshop confirmed that the proposed direction would be useful, edited the themes to seven and set out changes participants would like to see. A draft was then published and promoted to the sector at the AELP Annual Conference. The initial response was good, and a final draft was developed and published. This new draft starts with a statement of intent, followed by seven themes and key principles, underpinned by the seven Principles of Public Life.

## **Code of Good Governance for ITPs**

To implement and embed the values and expectations, those with a governance role, such as trustees, non-executives, directors, chief executive and senior leaders, will undertake to:

### **Theme 1: Strategy and leadership**

Formulate and agree the vision and strategy including defining the ethos and policies of the provider.

### **Theme 2: Corporate structures and roles**

Provide clarity between the governance board, chief executive and management team.

### **Theme 3: Financial strategy and audit**

Adopt a financial strategy and funding plans which are compatible with the duty to ensure sustainability and solvency of the provider.

### **Theme 4: Teaching and learning**

Ensure exceptional teaching, training and learning by adopting effective underpinning policies and systems which also encourage and facilitate the learner and employer voice.

### **Theme 5: Equality and diversity and safeguarding**

Meet and aim to exceed its statutory responsibilities for equality and diversity and for ensuring that all learners are safe.

### **Theme 6: Transparency and accountability**

Demonstrate assurance that public funds are well spent, the board will be transparent and openly accountable.

### **Theme 7: Effective governance**

Implement effective governance arrangements, regularly reviewing governance performance and effectiveness.

## **Excellent practice in governance at Wearescl: SCL Education Group**

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### **Monitoring policies**

The SCL board rigorously monitors their strategies, ensuring the appropriate action is taken. Their safeguarding procedures include monthly monitoring of data, feedback on the action taken and whether the action has resolved the issues. The welfare of the student is at the centre of what they do and they ensure students have been given the appropriate support. They also monitor the level of staff training and include mental health support training as part of the CPD package.

# SECTION 7

## RECOMMENDATIONS AND CONCLUSION

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This section sets out key recommendations and future action that will help support good governance in the ITP sector.

The research has shown that there is much good practice. However, it is isolated and not disseminated. Governance has not been a theme of any training until recently and only since the establishment of the Common Inspection Framework have any judgements been made routinely of governance in ITPs through inspections. There have been some high-profile cases of providers not delivering and, on review, the issues have in part been created through poor governance. There is definitely an appetite among providers to do more in this area and a thirst for training, advice and guidance. There is also a disparity in governance where college providers are eligible for support from the national leaders of governance and other structural interventions whilst these are not given to ITPs.

### Recommendations

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1. AELP to continue to develop a sector code and keep its adoption under review.
2. Providers to adopt the newly developed governance code for ITPs and modify and adapt their practices to improve governance.
3. AELP to continue to support the implementation with sector governance leaders such as ICSA to build a bank of guidance material to support good governance.
4. AELP with its provider base to find ways to disseminate good governance, including it being a regular topic for webinars and national conference workshops.
5. AELP with sector governance leaders such as ICSA to run specific training for independent directors on how to challenge and use data, and to work with a governance professional on how to run an effective board.

6. AELP to draw up guidance on a board effectiveness review.
7. AELP to capacity build so it is able to provide advice and offer a governance helpline.
8. DfE to review its support programme with the aim to provide parity between providers.
9. ESFA to consider treating the ITP code in the same manner it does the college and charity sector codes.
10. Ofsted to familiarise inspectors with the new governance code for ITPs and ensure inspectors are aware of what is seen as good practice in governance in the ITP sector.

The draft code is available on the AELP website (<https://bit.ly/2PCjhph>) and following feedback will be finalised later in 2018.

# APPENDIX 1

## SURVEY

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### **Board and Governance Survey**

Thank you for participating in our survey.

We are gathering data in order to get a clear picture (for the first time) of the different governance models operating across the independent training provider (ITP) sector. The survey is part of a wider study commissioned jointly by AELP and FETL. It will help us to understand what is working well in ITP governance, and where more support is needed.

We have tested the survey, and it should take no longer than 15 minutes to complete. If you can't complete the survey immediately, you can log in again at a later time.

This survey will close at 5 pm on Friday 4 May 2018.

### **About You**

1. Please provide us with a few details about the type of provider you are

- Name of provider
- ESFA registered name
- Region
- National yes/no
- Name of Mayoral Combined Authority (if relevant)

2. Which of the following best describes your service?

*(Please tick all that apply)*

- Listed Limited Company
- Limited Company
- Employer Provider
- Charity Limited by guarantee
- Other (please specify)



3. Approximately how many learners/apprentices are enrolled?

- Up to 250
- 250 - 500
- 500 -1,000
- 1,000 - 5,000
- 5,000 - 7,500
- 7,500 -10,000
- Over 10,000

4. Approximately what is your annual turnover

- Up to £1m
- £1 - 5 m
- £ 5 -10 m
- £10 -15m
- £15 - 20m
- £ 20 - 50m
- Over £50m

5. How much of your income comes from Government Programmes (DfE, DWP, ESFA, Levy, Non-Levy, Work Programme, ESF, Big Lottery)

- 100% comes from Government Programmes
- 80-100%
- 60-80%
- 40-60%
- 20-40%
- Less than 20%

6. What was the overall Ofsted grade on your last *full* inspection?

- Grade 1
- Grade 2
- Grade 3
- Grade 4
- Not applicable – never been inspected before

7. What was the date of your last Ofsted inspection or visit (month/year)?

- Month [drop down?]
- Year [drop down? Go back 10 years to be safe]
- Your governance/board arrangements

8. Which of the following is formally accountable for the success of your organisation (*Please tick all that apply*)

- Chair of Board of Trustees/ Directors
- Shareholders
- Chief Executive
- Owner
- Other please specify

9. Do you adhere to the any of the following:

- The UK Corporate Governance Code 2016 (PDF)
  - Charity Commission Code of Governance
- Yes    No

10. If not, why

- Not applicable as we are not a listed company
- Too small
- Not a charity
- Other please state

### **Governance arrangements**

11. Which one of the following structures describes best your governance structures?

- Owner and/or shareholder board to which the executive report
- A board made up of non-executive company directors and company executive directors
- A director executive group
- A director executive group with external independent advisors or an advisory board
- Owner governed with no group or structure
- Other

12. Do you have a governing body/supervisory/advisory board?

- Yes – please go to question 13.
- No – please go straight to question 20.

13. Does your governing body/supervisory/advisory board have any sub-committees? *(Please tick which ones apply)*

- Resources
- Audit
- Risk
- Quality
- Remuneration
- Other, please specify

14. What is/are their main role/s of the governing body/supervisory/advisory board? *(Please tick as many as apply)*

- Hold the executive to account
- Set the strategy
- Monitor and put in place strategies for financial sustainability
- Monitor quality
- Monitor statutory policies such as Prevent and Safeguarding
- Other, please specify
- Not applicable

15. How many members are on your governing body/supervisory/advisory board?

- 1-5
- 6-10
- 11-15
- 16-20
- 21-25
- Over 25
- Don't know
- Not applicable

16. Which of the following are represented on the membership?  
(Please tick all that apply)

- Owner
- Company Non-Executives
- Shareholders
- Executives
- Staff/ Teachers/ trainers/ assessors
- Learners / Students/ Apprentices
- Advisors
- Employers
- Community
- Job Centre Plus
- Don't know
- Not applicable

17. What is the typical length of service as a member of your governing body/supervisory/advisory board?

- 0-4 years
- 4-8 years
- 8-12 years
- 12+ years
- Varies too much to respond
- Don't know
- Not applicable

18. How would you rate the governing body/supervisory/advisory board in the following areas? Please answer on a scale of 1 to 5, where 1 is 'Poor' and 5 is 'Very good'.

- Recruiting members with the right skills
- Inducting and training members
- Appointing Company Secretary (or equivalent)
- Ensuring the right topics are on meeting agendas
- Taking into account the views of all the members

19. And how would you rate the governing body/supervisory/advisory board in the following areas? *Please answer on a scale of 1 to 5, where 1 is 'Poor' and 5 is 'Very good'*

- Scrutinising and challenging performance
- Making decisions
- Being strategic rather than operational
- Ensuring there is a clear mission
- Managing risk
- Transparency – board minutes published etc.

### **The impact and effectiveness of your provider's governance arrangements**

20. How effective do you consider your provider's governance arrangements to be overall? *Please respond on a scale of 1 to 5, where 1 is 'not at all effective' and 5 is 'very effective'*

1 2 3 4 5 Don't know

21. How would you rate the effectiveness of the governance arrangements in helping you to achieve the following objectives? *Please respond on a scale of 1 to 5, where 1 is 'not at all effective' and 5 is 'very effective'*

1 2 3 4 5 Don't know

- Achieving good financial health
- Meeting contractual outcomes
- Effective staff performance management and training
- Setting senior staff remuneration
- High quality teaching and learning
- Good use of staff views
- Good use of learner/apprentice views
- Effective risk management
- Effective Equality policies
- Effective procedures relating to safeguarding and Prevent

## Development and support

22. In your view, in which areas do your board members and senior executives, and those involved in governance, need support? *(Please tick all that apply)*

- Being strategic
- Finance and budgeting
- Understanding performance data
- Understanding teaching and learning
- Recruiting and managing staff
- Recruiting people with the right skills for governance
- Effective company secretary / clerking (or equivalent)
- Running/participating in effective meetings
- Understanding the requirements for Ofsted inspections
- Setting senior staff remuneration
- Other (please specify)
- Don't know

23. What types of support would be most useful to improve or enhance your governance arrangements? *(Please tick all those that apply)*

- Role of Company Secretary

24. Do you have a company secretary or equivalent?

- Yes
- No

25. If yes, what is/are the main role(s) of your company secretary or equivalent? Please choose as many as apply.

- Secretary to board
- Legal function
- Reporting
- Overseeing policies such as whistle blowing
- Other please specify
- Don't know

26. If yes, who does the company secretary or equivalent work to?

- Board Chair
- Chief executive
- Other please state

27. Does the company secretary or equivalent have another role in the same organization?

Yes  No

28. If yes, what is this role? Please write in.

29. Please use the space below to signpost researchers to good practice in governance of ITPs. This could include online or paper publications. include weblinks where possible.

30. Any further comments about your governance arrangements?

Thank you for taking the time to complete this survey.

# APPENDIX 2

## REFERENCES AND LINKS

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### **Governance definitions**

#### **OECD, 2004**

- <http://www.oecd.org/corporate/ca/corporategovernanceprinciples/31557724.pdf>

#### **Charities**

- <https://knowhownonprofit.org/governance/getting-started-in-governance/getting-started-in-governance-1>

#### **Code of Good Governance for Independent Training Providers (draft)**

- <https://www.aelp.org.uk/resource-and-information-centre/resource-and-information-centre/publications/new-code-of-good-governance-launched-for-independent-training-providers>

#### **Colleges**

- [https://www.aoc.co.uk/sites/default/files/What%20is%20Governance\\_0.pdf](https://www.aoc.co.uk/sites/default/files/What%20is%20Governance_0.pdf)

#### **Standards in Public Life**

- <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

#### **Report on Ethical Outsourcing and Government contracting**

- <https://www.gov.uk/government/news/limited-progress-on-ethical-standards-in-outsourced-public-services-cspl-publishes-latest-report-on-ethical-outsourcing>
- UK Corporate Code
- <https://www.frc.org.uk/getattachment/bff48ee6-4fce-4593-9768-77914dbf0b86/Proposed-Revisions-to-the-UK-Corporate-Governance-Code-Appendix-A-Dec-2017.pdf>



### **Charity Commission Code**

- <https://charitycommission.blog.gov.uk/2017/07/13/the-new-charity-governance-code-essential-reading-for-all-trustees/>
- <https://www.charitygovernancecode.org/en/pdf>

### **Code of Good Governance for English Colleges**

- <https://www.aoc.co.uk/funding-and-corporate-services/governance/governance-resources/code-good-governance-english-colleges>

### **Good Governance**

- <https://www.iod.com/Portals/0/PDFs/Campaigns%20and%20Reports/Corporate%20Governance/GGI-report-2017-IoD.pdf>
- <https://www.iod.com/services/information-and-advice/resources-and-factsheets/details/What-is-the-role-of-the-board>

# APPENDIX 3

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## PROJECT TEAM

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M O N O G R A P H



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