

Governance Charter for Universities in Wales

This document is a 'Charter' that maps out an approach to improving governance that will be adopted by all the universities in Wales. This document has been agreed by all the Chairs and the Vice-Chancellors and demonstrates their commitment to the continuous development and improvement of governance both within their own universities and the sector in Wales as a whole. It is not a Governance Code – universities in Wales will continue to adhere to the Code of Governance drawn up by the Committee of University Chairs (CUC). Rather, it is a series of commitments to take steps to improve governance and to adopt best practice both from within and outside the sector; it also commits the institutions to report on progress made.

The universities of Wales play a crucial role nationally, internationally and in their local communities. They make a critical contribution to the Welsh economy and are key anchor organisations for cities and towns across the country.

Against this background it is vital that the universities are themselves sustainable in the long term and have systems of governance that will ensure long term viability and resilience.

The universities in Wales recognise that there have been failings in governance in recent times. Whilst action has been taken at institutional level to address these issues, the sector collectively recognises the need for robust and consistent action to be taken to ensure the standards of governance adopted represent the best practice possible.

Between July and December 2019, a full review of governance in the universities in Wales was commissioned. [The Report and details of the Review Group can be found here](#). This was not intended to be a review of governance for each individual institution but rather a distillation of reflections and the lessons learnt by members of individual governing bodies including chairs, vice chancellors, student and staff members, clerks and secretaries together with contributions from the National Union of Students Wales (NUS Wales), the trades unions and the Higher Education Funding Council for Wales (HEFCW). In addition, the review looked at developments in governance emerging across a variety of sectors and considered their application to the university sector as a whole.

Following consideration of these various inputs, a final Report was delivered to the Review Group that outlined a way forward on governance that was clustered around a series of governance values. The governance values are:

Trust – There is a determination to rebuild trust; however, in order to begin to regain that trust there needs to be an acknowledgement to all stakeholders that within the sector in Wales, governance has in some circumstances been lacking.

Accountability – In common with other sectors, universities in Wales need increasingly to recognise their accountability to a broad set of stakeholders including students and employees. It is important that they communicate their societal contribution more effectively. The governing body needs to provide leadership in respect of the purpose of the organisation, its culture and its values. This alignment needs to be demonstrated to key stakeholders.

Probity – Governing bodies and their members need to generate a culture of probity where leaders are seen to operate to the highest personal standards. Individuals should be given guidance regarding what is appropriate behaviour and what is not. Individuals within the organisation should feel empowered to speak out and take action when leadership and the organisation as a whole falls short.

Transparency – Universities in Wales will work hard to ensure a much higher degree of transparency exists in respect of governance. Everyone in a modern university needs to have a clear understanding of the work of the governing body and in return that governing body must have a clear appreciation of the culture and climate within the rest of the organisation.

Engagement – The governing body must ensure that there is sufficient engagement with all the key groups and partners in the development of the strategy of the university and in turn must hear from those groups the impacts, both positive and negative, resulting from those strategies.

Challenge – The governing body must itself ensure robust and constructive challenge particularly from the lay independent members. The executive must ensure that the quality of the information placed before the governing body invites and encourages such challenge and the chair ensures that the governing body engages with the strategies and risks in an appropriate manner.

Competence – being a member of a governing body brings significant responsibilities and universities are complex organisations. It is critical that the sector recognises its responsibility to ensure members of its governing bodies and members of the executive fully appreciate their responsibilities and are equipped to discharge those responsibilities.

The Report contains 21 recommendations to the sector together with advice and guidance garnered from other sectors and academic work on governance.

In summary the governing body in each institution should:

- Have a clear appreciation of the culture of the organisation and its alignment to the university's vision and values.
- Have clear mechanisms in place to ensure that the voices of both students and staff are heard.
- Ensure that stakeholders including staff, students and strategic partners are able to engage with and contribute to the key strategies of the university.
- Provide a significant increase in the transparency relating to governance, ensuring that both governance codes and the commitments in this Charter are adhered to and compliance reported on.
- Ensure that challenge and discussion is encouraged throughout the organisation and by the governing body.
- Ensure that relevant information, benchmarking and guidance is available to ensure that the governing body can provide valuable, effective and focussed challenge.
- Work with HEFCW to ensure that universities adopt a way of understanding institutional risk in the round both on a short term and longer-term basis.
- Ensure that the training and development of governors and executive members enables all governing body members to make a full contribution.

In line with the major findings of the Review, this Charter is a commitment to the development of a change programme around governance including specific sector wide actions going forward. Attached to this document are the specific actions that the leadership of each university commits to undertake in the short to medium term. This Charter should always be interpreted in the context of the Report and be seen as a living document which will be informed by subsequent individual institution and sector-wide governance reviews.

Improving governance will require a sustained and longer-term programme of change at both institutional and sector level in line with the governance values described in this Charter.

Each university in Wales will provide an update on progress in their annual reports beginning in the autumn of 2020. HEFCW will also provide regular updates in relation to the work they are leading on and will also produce reports commenting on progress made against the commitments across all universities in Wales.