



## Effective Governance: Case Study

### Planning a federation

#### Summary

This case study explains the role of a National Leader of Governance (NLG) in supporting governors in understanding the steps to take in creating a legally-based federation with another college, as a result of an Area Review.

#### Code of Good Governance

This case study underpins principal responsibility 1 – Strategy and Leadership and 7 – Effective Control and Due Diligence.

#### Issue to be resolved

It had been agreed as a recommendation arising from the Area Review process that a “hard” federation might be formed with a neighbouring college, with a possible merger to follow later. Governors wished to understand the options for federation better and to ensure that well-informed decision making based on due governance processes ensued.

#### Context

A college rated as “Requires Improvement” by Ofsted, including for Leadership & Management (2015), with a Principal in his first year there, although with previous senior leadership roles, and some recently-appointed governors supported by an experienced Chair and clerk. The local educational environment is competitive. The Joint Venture in apprenticeships may be the first step in a more formal partnership.

#### Methodology

The clerk contacted the AoC Governance Unit and asked for a NLG experienced in this field; the one selected had supported the college previously. Scoping phone calls between, firstly, the clerk and designated NLG and secondly, the Chair and NLG confirmed the requirements. Factors to be recognised included the varying degrees of experience governors had of college reorganisations (or business M&A); enabling robust questioning of risk and opportunity; an understanding of governance of major strategic projects, as several strategic steps were to be taken over the planning period;



and the capacity to identify which “quick wins” might be agreed and utilised to build confidence and trust.

The assignment was delivered over two days, spaced apart so as to enable governors to make informed initial judgements in the immediate aftermath of the Area Review, then liaise with the partner college, and finally return for a detailed presentation and discussion session with the NLG about how the federation option might be developed.

Each session was followed by a scheduled board meeting which covered normal business decision-making in the context of the plan to federate.

## **Findings and Actions**

The first session followed detailed planning discussions between the clerk, NLG and the Chair and focused on creating a strategic statement of intent to federate, and evaluating its acceptability to the governing body as a whole. This statement of intent was about implementing the federation but also recognised the possible next step to merger. As, subject to agreement, this statement would become a public commitment between the two colleges, it was essential that all governors understood it and accepted the commitments involved.

In practice, the process was one in which the NLG fostered a detailed and highly interactive discussion about the nature of the proposed partnership and its implications for governors as custodians of the college’s mission and responsibilities. This required the NLG to operate so as to: lead the discussion; encourage candour; draw out the decisions to be taken; and recognise the need for confidentiality if the widest range of views were to be expressed.

In framing the Board’s decisions the Chair then checked with the NLG on several key points of federation practice in the FE sector, so a good level of knowledge was required.

The outcome was greater confidence that all relevant views had been expressed, questions answered and key issues understood before key decisions were taken.

Before the second session the two colleges had been in liaison about a variety of points relating to their potential federation and, in particular, the development of the initial Joint Venture. Progress had been made. In supporting longer-term planning the second session focused therefore on the context of federations within the education sector; the importance of ensuring the ultimate intention was reflected in designing the federation from the start; how such federations had developed elsewhere, with lessons to learn about alternative approaches; and the risk and opportunity factors.

Governors also discussed the importance of maintaining the college’s “business as usual” within the context of a planned reorganisation, notably when quality improvement and good financial control are key success factors.



## Results

As outcomes of the first session the board agreed that there were critical success factors which, in some cases, required further work or liaison on details. This approach addressed the why of federation as much as the how, although still in the context of a commitment to partnership. Further specific actions were agreed for the Chair, the clerk and the executive in providing further information.

In the process of the second session some in-depth questions arose with regard to models of federation and lessons from elsewhere. Formative decisions were taken on the next steps in the partnership. Particular actions were agreed which would make the Joint Venture possible in the new academic/financial year, with additional decision making on the federation itself to be the outcome of a governance strategy day to be held three months on from the second session.

## Conclusion and next steps

Overall, participants said they found the structure of the NLG engagement had been particularly helpful in assisting their collective decision making. This began with the clerk, Chair and NLG discussing how best to achieve the college's goals for the work with the board. In the first session there was then a structured discussion in which the Chair could participate fully, with some knowledge-based contributions from the NLG. In the second session, a detailed presentation on the topics known to be priorities for governors led to focused questioning and greater confidence in the approach being taken within the federation planning period preferred by the board.

The conclusion here is that much was gained by planning a complex assignment in detail, then phasing the delivery.

Next steps: the board has asked the NLG to contribute to its next strategy day, three months from the second session. This approach illustrates the need for phased engagement in a complex reorganisation, as governors will enact a recurrent planning - decisions - action - review sequence, which can require experienced advisory support at any stage.

## Source Material

AoC Guide for Governors and Senior Leaders on New Structures – Collaborations, Federations and Mergers. March 2016:

<https://www.aoc.co.uk/funding-and-corporate-services/governance/governance-resources/guide-governors-and-senior-leaders>

Current Models of Collaboration – Post 14 Further Education. BIS June 2014

A National Guide to Federations. National College for Leadership of Schools and Children's Services.

<http://dera.ioe.ac.uk/2099/1/download%3Fid%3D118269%26filename%3Da-national-college-guide-to-federations.pdf>