Submission from Very Rev Professor Iain R Torrance

Higher Education Governance Bill

Dear Sirs

I have taken considerable interest in the discussions leading up to the publication of the Higher Education Governance Bill, as I fairly recently returned from a nine-year spell in the United States where I was President and CEO of a very well-endowed private higher education institution, Princeton Theological Seminary.

In March 2013 I was appointed Pro-Chancellor of the University of Aberdeen. I had been Dean of the then Faculty of Arts & Divinity at Aberdeen prior to my move to the United States.

The years in the US were successful but demanding as I was CEO prior to and during the banking crisis of 2008-11 and there were times when our endowment dipped by 600 million dollars. This impressed on me the needs a governing body has for stability, trust and the ability to make unpopular decisions, at times rather quickly.

On this basis, I am doubtful about the Bill’s somewhat unclear proposal that the chair of a governing body might be elected. While that may give the appearance of transparency, at a time of real difficulty, the chair must have the full trust of the board of governors and that implies that the chair should be elected by them, not imposed upon them.

I learned that as institutions develop, their boards go through different ‘seasons’ and a successful and self-critical board will be aware of its own ‘skill mix’ and its needs. I believe it is deeply mistaken to legislate on the composition of boards, as you would thereby lose that flexibility and dynamism. It goes without saying that governors should be in classes and rotate and have limited terms of tenure. The impact of that crucial aspect of turnover is suppressed if the composition (skill mix) is itself set in stone. For similar reasons, I am doubtful also about the proposals to determine the composition of Senates which in my experience need to retain the flexibility to evolve to match the academic structure and character of particular institutions.

I learned that it was crucial in a difficult period that all governors were fully committed to forming a single body and reaching corporate decisions. The effectiveness of a board is much reduced if any governors are present as ‘delegates’ of an interest group. For that reason I’d seriously advise against requiring trade union membership (or any other delegated appointments).

Two further overriding issues of concern emerge from the Bill as now published that were not evident in the prior consultation exercise. The first is that the Bill proposes Ministerial control over a range of matters of internal governance. This undermines a key principle of universities in Scottish society which is that they should be free from political control. This is an issue for Scottish democracy as much as it is for Scotland’s universities.
Related to those Ministerial powers, I understand there is concern that this could result in universities being reclassified as ‘government bodies’ and/or losing their charitable status. As someone who is closely involved in supporting the University of Aberdeen’s fundraising activities, I know that it is extremely difficult to persuade donors to give to an organisation that they perceive as being a government body or politically controlled. Fundraising at Aberdeen has enabled the creation of wonderful new facilities like our Library and supported many, many students to benefit from a university education. It would be a tragedy for Scottish higher education if we were to find ourselves in a situation where the public good of philanthropy and charitable giving were to be cut off from our universities.

Yours sincerely,

Very Rev Professor Iain R Torrance