

Glasgow Colleges Regional Board

Date of Meeting	Monday 18 December 2017
Paper Title	Board Member Recruitment and Extensions
Agenda Item	10
Paper Number	BM3-L
Responsible Officer	Penny Davis, Board Secretary
Status	Disclosable further to Board approval of recommendations and acceptance of proposed new Clyde College Board Member
Action	For Decision

1. Report Purpose

- 1.1. To provide an overview of appointments activity in which GCRB has involvement across the region over the next six months and seek Board approval where required.

2. Recommendations

- 2.1. The Board is invited, on the recommendation of the Nominations & Remuneration Committee, to:
- **note** the schedule of activities at 3.1;
 - **approve** the establishment of a short-life Second Terms Committee with the proposed terms of reference at Annex 1 and appoint members of the Committee;
 - **approve** arrangements for a panel to undertake recruitment of non-executive members of GCRB in the new year;
 - **approve** the proposed arrangements for the process to recruit a new Chair of Kelvin College Board; and
 - **approve** the recommended non-executive appointment to the Clyde College Board¹.

3. Background

- 3.1. The Nominations and Remuneration Committee considered a schedule of activities at its meeting on 30 November 2017 and agreed several recommendations to make to the Board.

¹ The current Clyde Board appointment does not feature in the schedule overleaf as the matter will be concluded at the Board meeting on 18 December 2017.

3.2. The following table summarises appointments-related activity in the coming six months.

	Jan	Feb	Mar	Apr	May	Jun
N&R Committee Meetings			8		31	
Board Meetings			26			18
GCRB Chair appointment by SG/induction						
GCRB Non-Executive 2 nd terms approved ²						
Clyde College Non-Executive appointments						
Chair of Kelvin Board recruitment/appointment						
Recruit/appoint new GCRB Non-Exec Members						
Staff Member elections to GCRB						
Student elections to GCRB						
City College Non-Executive appointments (timing tbc)						

4. Detail

GCRB – Non-Executive Appointments and Extensions

4.1. Two GCRB non-executive members reach the end of their second term of office at the end of May 2018 (Carol Kirk and Grahame Smith), necessitating a recruitment round early in the new year to allow for due process and approval of appointments in compliance with the Ministerial appointments guidance.

4.2. Six GCRB non-executive members reach the end of their first term of office on 31 July 2018:

- Paul Buchanan
- Frank Coton
- Lesley Garrick
- Caroline MacDonald
- Maureen McKenna
- Jackie Russell

4.3. Rather than potentially run two recruitment rounds in quick succession, the Nominations and Remuneration Committee agreed to recommend to the Board that extensions are considered early in the new year, and any vacancies arising from that process may then be included in the same recruitment round.

4.4. While extensions require both Board and Ministerial approval, which means final approval would not be forthcoming until April, the findings and recommendations of the panel could inform the recruitment process and minimise the likelihood of requiring a further recruitment round.

4.5. Two non-executive members of the Nominations and Remuneration Committee are among those who may be seeking extension of their appointment, therefore the Committee agreed to recommend to the Board that, in line with previous practice, a Second Terms Committee is established and then dissolved on conclusion of the extension process.

² Both GCRB appointments and extensions require ministerial approval, which it is assumed may be forthcoming by the end of April further to Board approval in March.

- 4.6.** The terms of reference approved in October 2015 have been amended to allow for potential staff and student involvement in line with the Ministerial appointments guidance. These are attached at Annex 1 for Board approval.
- 4.7.** The Board is asked also to consider and agree, at its meeting on 18 December, membership of the Committee. In doing so, the Board may wish to take account of:
- ensuring a good level of knowledge among members of the Board and business conducted during the past two years;
 - the value of including a staff member (given that there is not currently a staff member on the Nominations and Remuneration Committee, which considered the process and terms of reference); and
 - gender balance.

GCRB – Non-Executive Recruitment

- 4.8.** Noting that the recruitment process must commence in the new year with a view to making recommendations to the Board in March and receiving ministerial approval before the end of May, the Nominations & Remuneration Committee recommended that the Board also consider arrangements for a recruitment panel.
- 4.9.** Given the presence on the Committee of one of the Board Members whose second term of office ends in May, Members did not discuss membership of the panel.
- 4.10.** The Board may wish, however, to consider inviting the incoming Chair of GCRB to chair the panel in line with Ministerial guidance, and the Chair of Nominations & Remuneration to serve on the panel, and to delegate authority to those two to identify a third Board Member and an Independent Person.
- 4.11.** The Board is asked to note that there would be benefit in staggering terms of office approved in March to avoid circumstances arising in future where a significant proportion of Non-Executive Members reach the end of their tenure simultaneously.

Kelvin College Chair

- 4.12.** The current Chair of Kelvin College reaches the end of his term of office on 31 July 2018 and will not be seeking re-appointment.
- 4.13.** GCRB, as the Regional Strategic Body, is responsible for appointing a new Chair.
- 4.14.** The Nominations and Remuneration Committee considered procedures in line with previous GCRB practice and the Ministerial guidance and would make recommendations to the Board for approval as follows.
- the appointments panel should comprise six people: 2 GCRB members including the GCRB Chair; 3 members of Glasgow Kelvin College Board drawn from the Nominations Committee; and an Independent Person identified by the board secretaries and agreed by the GCRB and Kelvin College panel members.
 - the panel should ensure staff and students of the College have an opportunity to contribute to the appointments process.

- the timetable should be:
 - Recruitment process goes 'live' w/c 8 January 2018
 - Deadline for applications 2 February 2018
 - Short-listing of applicants w/c 5 February 2018
 - Interviews w/c 19 February 2018
 - Recommendation of candidate to GCRB 8 March (N&R Committee)
26 March 2018 (Board)

Clyde College Board Non-Executive Appointment

- 4.15.** The Nominations & Remuneration Committee considered a recommendation submitted by the Clyde College Board to appoint Michael Payne as a Non-Executive Member for a term of four years.
- 4.16.** The Committee was satisfied that the information provided by Clyde was compliant with requirements set out in the Ministerial guidance, including a statement by the Independent Person.
- 4.17.** The Clyde College Board had identified a skills gap in Audit/Finance/Accountancy. A brief biography was provided informing the Committee that Mr Payne has relevant financial experience, having been a Fellow of the Faculty of Actuaries since 1998, and is currently Portfolio Actuarial and Operations Director of Prudential UK and Europe.
- 4.18.** The Clyde College report drew attention to the current gender balance on the Board, which is 10 males to 6 females overall, and 7 males to 4 females among non-executive members. The new appointment will not change the balance as a male non-executive member is to step down on the appointment of the new member. The Clyde College report explained, however, that only two applicants were shortlisted for interview and the other (female) candidate, who was unable to attend, may still be considered for board membership at a future date.
- 4.19.** The Board is asked to approve the appointment of Michael Payne, on the recommendation of the Nominations & Remuneration Committee.

5. Risk Analysis

- 5.1** The report seeks to mitigate *GCRB Risk 0011: The capacity and capability of the Board is inadequate and standards of governance fall below the level required*, and *GCRB Risk 0012: There is a breach of legislation/ guidance/code of practice and this results in a failure of governance*.
- 5.2** There are particular risks associated with:
- a) decisions that may result in a major turnover of non-executive membership in a short period of time. The paper refers to mitigation of this risk at 4.10.

b) Gender balance on the Clyde College Board, to which the paper refers at 4.17.

6. Legal Implications

6.1. There are no specific legal implications arising from this paper.

7. Resource Implications

7.1. There are no specific resource considerations arising from this paper.

8. Strategic Implications

8.1. There are no specific implications for the Regional Outcome Agreement/Strategic Plan arising from this paper.

Extracts from Ministerial Guidance on Non-Executive College Board Appointments (2014)

Relevant committee with responsibility for board appointments and extensions

A Regional Board is to establish a relevant committee to nominate Regional Board member appointments and extensions of appointments to the Regional Board.

The chair of the Regional Board should normally chair this committee. Staff and students of the assigned colleges should have an opportunity to contribute.

The chief officer of the Regional Board must not be a member of this committee, as there is a conflict of interest. The chief officer could, however, be asked by this committee to provide information to it (if required), whether in person to the committee or in writing.

No-one who may be applying for a board member appointment must take part in any discussions or decisions that any committee or the board may have about that appointments process. Similarly, no board member who may be seeking to have their appointment extended must take part in any discussions or decisions relevant to that extension.

Extending board member appointments

Where an appointment has not already been extended, the relevant committee is to consider whether the needs of the board will be most effectively met by extending an appointment or by making a new appointment. In reaching a view, the committee will carry out a needs analysis along the lines described in paragraphs 4.15 and 4.16. [refers to assessment of skills needs/gaps]

The committee will also balance any benefits of continuity provided by an extension with the potential opportunity to increase the range of relevant skills, knowledge, attributes and knowledge on the board by making a new appointment through open competition. Reaching a decision to make a new appointment through open competition would not prevent the person vacating the post from applying for the new appointment.

An appointment can be extended (for one single period) only if: a) the board member has performed satisfactorily, with evidence of annual assessments of performance to evidence this; and b) that the board member's skills, knowledge, attributes and experience remain relevant to the anticipated future needs of the board.

Term of board appointments or extensions

A Regional Board will determine the length (of up to 4 years) of a board appointment or extension based on needs of the board, having regard to the desirability of avoiding a substantial number of board appointments potentially ending around the same time.

Ministerial approval

Before a Regional Board may appoint a non-executive board member or extend a non-executive board member's period of appointment, the board must obtain the approval of both its chair and Scottish Ministers.

A board should consider possible contingency action (such as, for example, further requests for short-term approval of appointments or short-term extensions of existing appointments) where, if Ministerial approval is not given in any particular case, this could lead to a board with fewer than 15 members. Such contingency action does not have to be detailed when submitting a name for approval.

Scottish Ministers will not normally consider the approval of a non-executive board member unless the chair has approved the board's appointment.

When considering whether to approve the appointment or extension of a nonexecutive board member, Scottish Ministers will take into account the extent to which the board has, in the view of Ministers, paid sufficient regard to this guidance.