

## Nominations & Remuneration Committee Meeting

Date of Meeting	Thursday 9 December 2021
Paper Title	Annual Review of Committee Effectiveness
Agenda Item	12
Paper Number	NRC2-F
Responsible Officer	Board Secretary
Status	Disclosable
Action	For Decision

### 1. Executive Summary

- 1.1. The report provides a basis for the Committee to evaluate its performance during the past year and alignment with its Terms of Reference, further to consideration of the Committee Annual Report.
- 1.2. The Annual Report is provided as a separate paper and the Terms of Reference are appended to this report.
- 1.3. Further to suggestions received from Board Members in previous years, a new approach is being trialled for the evaluation of the Committee Chair. This is explained under item 4. below.

### 2. Recommendations

- 2.1 The Committee is invited to:
  - 2.1.1 **consider** its performance and **agree** any changes to the Committee Terms of Reference it may wish to recommend to the Board.
  - 2.1.2 **note** the revised approach to evaluation of the Committee Chair.

### **3. Annual Review of Committee Effectiveness**

**3.1.** The Committee's Annual Report is provided as a separate paper. Having reflected on membership, attendance, the range of activity and key decisions made during 2020-21, the Committee is invited to consider:

- a) whether its activity and decision-making have been consistent with its remit as set out in the Terms of Reference;
- b) the impact and effectiveness of decisions made;
- c) whether there are areas where the Committee might do more, do things differently, or otherwise improve its effectiveness;
- d) whether there are any changes to its terms of reference that the Committee would recommend to the Board.

### **4. Evaluation of Committee Chair**

**4.1.** The Code of Good Governance requires that the performance of Committee Chairs is evaluated. Feedback received from Committee Members informs the GCRB Chair's one-to-one appraisals.

**4.2.** In previous years, a relatively informal approach has been taken, whereby Members hold a private discussion without the Committee Chair present and share feedback with both Committee Chair and Board Chair. Members who are not present at the meeting do not have a chance to contribute, and it has been suggested by several Board Members that a brief e-mailed questionnaire would ensure all Members could participate. On that basis, and to provide a more consistent record of the evaluation process, the Chair has agreed that the following approach should be trialled.

**4.3.** The statements below are adapted from those used in the Board Chair's evaluation questionnaire, and will be presented in the form of a scaled questionnaire. Space will also be provided for any additional comments. The questionnaire will be circulated to all Members by e-mail after the meeting with a deadline for return. Composite results will be collated and shared with the Committee Chair and with the Board Chair to inform the individual evaluation process early in the new year.

- a) The Chair provides effective leadership of the Committee.
- b) The Chair is well prepared for Committee meetings.
- c) The Chair helps keep the Committee to its agenda and to its delegated remit.
- d) The Chair ensures that every Committee member has the opportunity to be heard.
- e) The Chair manages different points of view to support effective decision-making by the Committee.
- f) The Chair fosters constructive challenge to, and support for, the Executive in Committee meetings.

## **5. Risk & Compliance Analysis**

- 5.1.** The Code of Good Governance for Scotland's Colleges items D.22 to D.25 refer to evaluation requirements. Item D.24 refers to evaluation of committee chairs.
- 5.2.** Effective evaluation procedures help to mitigate risk 012, The capacity and capability of the Board is inadequate and standards of governance fall below the level required, and risk 013, There is a breach of legislation/guidance/code of practice and this results in a failure of governance.

## **6. Financial & Resource Implications**

- 6.1.** There are no resource implications associated with this paper.

## **7. Equalities Implications**

- 7.1.** The Committee's self-evaluation process provides for consideration of gender balance. There are otherwise no equalities implications associated from this report.

## **8. Learner Implications**

- 8.1** There are no direct implications for the learner arising from this report. As a general consideration, robust governance arrangements, including performance evaluation, contribute to the effective delivery of GCRB's strategic objectives which are learner-focused.

**Nominations and Remuneration Committee  
Terms of Reference**

**1. CONSTITUTION**

- 1.1 The Nomination and Remuneration Committee is constituted as a committee of the Glasgow Colleges' Regional Board (hereinafter referred to as the Board).
- 1.2 The Committee's terms of reference may be amended at any time by the Board.

**2. AUTHORITY**

- 2.1 The Committee is authorised by the Board to investigate any activity within its terms of reference and to undertake any other appropriate related task as delegated to it by the Board. It is authorised to seek any information it requires from any of its employees who are directed to co-operate with any request made by the Committee. It is authorised to seek any information from its colleges which it may reasonably require for the purposes or in connection with the exercise of any of its functions.
- 2.2 The Committee is authorised by the Board to obtain external legal or other professional advice and to secure the attendance of anyone it considers has relevant experience, expertise or knowledge.

**3. MEMBERSHIP**

- 3.1 The Committee shall be appointed by the Board from amongst its members and shall consist of not less than five members.
- 3.2 The Board shall appoint the committee chair who shall be a non-executive member.
- 3.3 The chair of the Board may not be chair of the Committee.
- 3.4 The Board may appoint one staff and one student member to the Committee.
- 3.5 The Committee's membership must include a majority of non-executive members.
- 3.6 The period of members' appointment will last from their date of appointment until the earlier of: the end of their current period of appointment as a Board member; and a date determined by the Board.
- 3.7 The Board will review the membership of all committees at least annually.
- 3.8 The Board Secretary shall act as Secretary to the Committee.

#### **4. MEETINGS**

- 4.1** The Committee shall meet as determined by the Board and when necessary in terms of its remit.
- 4.2** The quorum necessary for the transaction of the business of the Committee shall be two committee members.
- 4.3** A minimum of 50% of members present must be non-executive members for a meeting of the Committee to proceed.
- 4.4** In the absence of the Committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting, who would qualify under these terms of reference to be appointed to that position by the Board.
- 4.5** At the request of the Committee any other Board members or senior management staff may attend meetings.
- 4.6** Meetings of the Committee shall be arranged by the Secretary at the request of the Board or Committee Chair.
- 4.7** Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend, no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and other attendees as appropriate, at the same time.

#### **5 MINUTES OF MEETINGS**

- 5.1** The Secretary shall ensure that a minute of the proceedings and decisions of all Committee meetings is kept, which will include the names of those present and in attendance.

#### **6 RESPONSIBILITIES**

##### **6.1 STAFF**

The Committee shall:

- a) be responsible for overseeing remuneration levels, salary awards, pensions, terms and conditions of employment and any other related matters for the executive and other senior posts within the organisation;
- b) provide support in reviewing overall executive performance;
- c) be responsible for the appointment process of senior executive officers and make recommendations for their appointment to the Board;
- d) be responsible for reviewing the performance of the Executive Director;
- e) consider proposals regarding overall remuneration including pay awards across the organisation, making recommendations as appropriate to the Board; and
- f) be consulted on any proposals for major changes to employee benefit structures

- g) have regard to GCRB's role as an employer and seek to promote a positive staff culture.

## **6.2 ALL BOARD MEMBER APPOINTMENTS**

*For the avoidance of doubt, this paragraph applies to both assigned college board members and regional board members. Certain responsibilities in relation to a particular assigned college may be delegated by the Board to the assigned college board, with their agreement.*

The Committee shall:

- a) give full consideration to succession planning for all Board members in the course of its work, taking into account the challenges and opportunities facing the region, diversity succession planning requirements, and the skills and expertise needed on the particular Board(s) in the future;
- b) review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and of the assigned colleges' Boards and make any recommendations to the Board as a consequence;
- c) before any non-executive appointment is made by the Board, ensure that a full evaluation of the balance of skills, knowledge, experience and diversity on the relevant Board, has been carried out and that, in the light of this evaluation, an appropriate role description has been agreed; and
- d) ensure that a fair, open and merit based recruitment process is conducted for the appointment of non-executive board members and that all appointments are made in a manner which encourages equal opportunities and the observance of equal opportunity requirements.

## **6.3 REGIONAL BOARD MEMBERS**

The Committee shall ensure that it follows the current Scottish Government College Sector Board Appointments Guidance in relation to board appointments and extensions of terms of appointments.

The committee shall make recommendations to the Board for its approval in relation to:

- a) the nomination of board members for appointment to the Board;
- b) the nomination of board members for extension of the period of appointment at the conclusion of their term of office;
- c) the process for the election of staff and student Board members;
- d) the terms and conditions of appointment for non-executive Board members and staff and student board members; and
- e) membership of committees, as appropriate, in consultation with the Chair of the Board and the chair of the relevant committee.

## **6.4 ASSIGNED COLLEGE BOARD MEMBERS**

The committee shall ensure that it follows the current Scottish Government College Sector Board Appointments Guidance in relation to board appointments and extensions of terms of appointments.

Before making a recommendation to the Board arising from a delegation of its process to the assigned college board the committee must satisfy itself that the assigned college board has had regard to the Guidance and any supplementary guidance issued by the Board.

The committee shall make recommendations to the Board for its approval in relation to:

- a) the appointment of non-executive members to the assigned college board;
- b) the extension of the period of appointment of Board members on the assigned colleges' Boards at the conclusion of their term of office;
- c) the appointment and extension of a period of appointment of the chair of an assigned college;
- d) the terms and conditions of appointment for non-executive Board members and for the Chair; and
- e) the delegation to the respective assigned college of the management of all or part of the administrative process for the appointment or extension of a chair or non-executive board member.

## **6.5 ASSIGNED COLLEGE PRINCIPALS**

In accordance with paragraph 16A of the Further & Higher Education (Scotland) Act 1992 as amended, the Committee shall consider and approve the terms and conditions of appointment when making recommendations to the Board to appoint Assigned College Principals.

## **6.6 SEVERANCE ARRANGEMENTS**

The Committee shall seek to ensure that any severance arrangements to be implemented by the Regional Board or any of its assigned colleges are compliant with severance guidance published by the Funding Council and the requirements of the Financial Memorandum.

### **a) Regional Board**

With regard to the Glasgow Colleges Regional Board's own arrangements, prior to the submission of business cases for Funding Council approval, the Committee shall oversee arrangements and make recommendations as appropriate for the Board to approve:

- any new severance scheme;
- any change to a previously approved scheme;
- any payment, forming part of any scheme, considered to be sensitive or high profile;
- any use of settlement agreements.

### **b) Assigned Colleges**

With regard to assigned colleges, the Committee shall oversee relevant applications and approve any business cases prior to their signature by the Executive Director and submission to the Funding Council for:

- any new severance scheme;
- any change to a previously approved scheme;
- any payment, forming part of any scheme, considered to be sensitive or high profile;
- any use of settlement agreements.

The Committee shall report all relevant severance matters to the Board.

## **7 REGIONAL BOARD EVALUATION**

**7.1** The Committee is responsible for ensuring that the Board reviews its effectiveness annually.

**7.2** The Committee shall make recommendations to the Board in relation a process for evaluating the effectiveness of the board chair and the committee chairs.

## **8 REPORTING RESPONSIBILITIES**

**8.1** A report of the Committee's discussions shall normally be considered at the Board meeting following the Committee meeting.

## **9 OTHER**

**9.1** The committee shall, at least once a year, review its own performance and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the board for approval.

**9.2** All members shall complete the online training provided for members of remuneration committees by the College Development Network within one month of joining the committee.