![GCRB | Glasgow Colleges' Regional Board]

Nominations & Remuneration Committee

Date of Meeting	Thursday 28 March 2024
Paper Title	Nominations and Remuneration Committee Annual Report
Agenda Item	14
Paper Number	NRC3-I
Responsible Officer	Board Secretary
Status	Disclosable
Action	For Decision

1. Executive Summary

1.1 As part of its evaluation and reporting cycle each year the Committee receives a report around the end of the calendar year summarising activity over the past twelve months.

1.2 This item was deferred from the December meeting of the Committee.

1.3 The report considers membership, meetings and attendance, and summarises matters considered and decisions made under headings taken from the Committee's Terms of Reference to allow members to consider compliance and overall effectiveness.

1.4 The report also provides a basis for consideration of the year ahead and the Committee's expectations and plans.

1.5 Subject to committee agreement of content, the report will be presented to the Board at its April meeting.

2. Recommendations

2.1 The Committee is invited to:

a) **consider** and **agree** the content of the summary report on its activity during the past year;

b) **discuss** and **agree** its priorities for the coming year.

3. Background

3.1 It is good practice for committees to review their own operation and produce an annual report for the Board.

3.2 The period covered by the report is December 2022 to November 2023.

3.3 There have been few legal and regulatory developments impacting on the Committee's areas of responsibility in this period. The introduction of Trade Union members to sector boards has progressed slowly, and it is now anticipated that TU members will join the Board in April 2024. Revised appointments guidance has not yet been issued and the remuneration of Assigned College chairs has not been taken forward as yet.

3.4 The ongoing regional review has had an impact on non-executive recruitment, with the Committee recommending to the Board that it does not recruit to the vacancy created by Dave Brown's departure in July 2023 until there is more clarity on future governance structures. A separate report to the Committee's December meeting considered the implications of a continued delay with non-executive recruitment and it was agreed to undertake a recruitment round early in 2024 which is now underway.

3.5 External factors have affected other aspects of the Committee's work. National bargaining has not resulted in agreement between Unison and the College Employers' Association for either 2022 or 2023 pay awards for support staff which was a factor in the consideration of annual salary reviews across the organisation during 2023.

3.6 Nationally, financial pressures continue to weigh heavily on colleges and, within the region, ongoing restructuring exercises at assigned colleges have resulted in new or extended VS schemes. While GCRB does not have a locus in relation to approval of compulsory redundancies, developments at City of Glasgow College also factored in Committee discussions around VS during 2023.

4. Meetings and Membership

4.1. During the period from December 2022 to November 2023 the committee met on six occasions, there being two additional meetings to consider VS schemes early in 2023. All meetings were quorate.

4.2. To provide some narrative on the data in the table below:

- Sunita McKenna, Student Member, resigned from the Board on 17 April, and therefore was not a member of the Committee at the time of the June meeting.

- Martina Tuskova joined as the new Student Member of GCRB in September and attended her first Committee meeting on 26 October 2023.

- Committee membership has been consistent with its Terms of Reference throughout the period. It presently comprises four non-executive members (including the Board Chair), one staff member, and one student member.

Date of Meeting	Percentage Attendance	Total Members
8 December 2022	100%	6: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland; Sunita McKenna
30 January 2023	83%	6: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland; Sunita McKenna
23 February 2023	83%	6: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland; Sunita McKenna
9 March 2023	83%	6: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland; Sunita McKenna
1 June 2023	80%	5: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland
26 October 2023	100%	6: Des McNulty; Janie McCusker; Verity Watson; Chris Bones; Clare Ireland; Martina Tuskova
Average attendance 2022-23	88%	

4.3 Gender balance has continued to be weighted towards women throughout the period of the report, however, as in the previous reporting period, it should be noted that all current GCRB Staff and Student Members are women and the Board is required to seek gender balance among its Non-executive Members, hence the Board's balance (excluding Assigned College Chairs, who do not serve on Committees), towards women. The current Committee gender balance is 67% women to 33% men.

4.4 All meetings of the Committee were attended by a suitably qualified Board Secretary and, as appropriate for reporting purposes, members of the Executive Team.

4.5 Committee minutes have been a standing item on Board agendas throughout the period of the report.

4.6 Minutes and papers have been published on the website except where exemptions apply under the Freedom of Information (Scotland) Act 2002.

4.7 All papers presented to meetings of the Committee have provided for consideration of risk, strategic, resourcing and equalities implications.

5. Committee Remit

5.1. The Committee's Terms of Reference set out responsibilities in the following areas of Board activity. These have been used as headings in the subsequent report:

- Staffing Matters, including GCRB senior staff remuneration and determination of any overall policy that may apply to pay awards across the organisation;
- GCRB and Assigned College Non-Executive Board Appointments;
- Voluntary Severance Arrangements;
- Board Evaluation and Development.

5.2. Minor modifications to the Terms of Reference were approved by the Board in March 2023 to clarify the Committee's responsibilities in respect of GCRB staff.

5.3. The Committee reviews its performance against its terms of reference at least annually.

6. Activity between December 2022 and November 2023

6.1 Over the period of the report, the Committee discharged its duties as summarised below. The report is presented primarily in the form of a summary of items noted and decisions made by the Committee.

6.2 At each meeting, as appropriate, the Committee has received and considered verbal reports from the Executive Director on factors influencing college VS and other restructuring activity, and on progress with national pay negotiations.

6.3 The Committee has also received regular updates from the Board Secretary on progress with legal and regulatory changes affecting its area of remit.

6.4 The Committee has considered its long term agenda at each meeting.

7. Summary of Committee Decisions

7.1 Staffing Matters

March 2023

a) Noted a report by the Committee Chair on behalf of the Board Chair concerning the Executive Director's performance and objective-setting; agreed to ask that the Executive Director's objectives refer to the context of a potential Scottish Government decision on regional governance and resulting change management requirements; highlighted the need to ensure appropriate support is in place for the Executive Director to ensure effective management and well-being of staff in that context.

October 2023

b) Agreed that a decision on senior staff salary uplifts for 2022 and 2023 would be deferred to the December meeting of the committee and asked for a paper providing comparative information for senior staff in the assigned colleges and other organisations.

c) Noted the Executive Director's report on proposed salary uplifts for 2022 and 2023 for staff within his remit.

7.2 GCRB/Assigned College Non-Executive Board Appointments

March 2023

a) In the context of Dave Brown's decision to leave the Board at the end of his first term in July 2023, agreed to defer a decision on recruitment to take account of any development on the regional review.

b) Agreed to recommend to the Board the appointment of Marie Docherty, Michelle Stevenson and Steven Caldwell to Glasgow Kelvin College Board for four years from 1 August 2023.

c) Agreed to recommend the extension of Elaine Clafferty and Michael O'Donnell's appointments to Glasgow Kelvin College Board for a second term of four years from 1 August 2023.

d) Agreed to recommend the extension of Lorna Hamilton, Audrey Sullivan, and Ronnie Quinn's appointments to City of Glasgow College Board for a second term of three years from 1 August/17 June 2023.

e) Agreed to make a decision by correspondence with regard to new board member appointments for Glasgow Clyde College and City of Glasgow College board.

f) Agreed that the Chair should consider including a statement about the regional review in letters of appointment.

g) Agreed that the potential for board networking and recruitment events should be explored to help increase applications from diverse groups.

Decisions by Correspondence March 2023

h) Agreed to recommend the appointment of Rosalind Micklem and Fergus Brown to Glasgow Clyde College Board for four years from 1 August 2023.

i) Agreed to recommend the appointment of Charandeep Singh, Dave Anderson, Douglas Baillie and Roderick Gillespie to the City of Glasgow College Board for four years from 16 June 2023; noted the impact of the appointments on gender balance; requested that in planning future non-executive recruitment rounds the College reflects best practice in terms of gender balance on its interview panel; requested that future planning for non-executive recruitment includes an overall review of the recruitment and application process in line with Scottish Government advice, to ensure that it encourages applications from women.

June 2023

j) Agreed to recommend to the GCRB Board the appointment of Kathleen Sweeney and Stuart Porteous to Glasgow Clyde College Board for four years from 1 August 2023 as follows:

October 2023

k) With regard to a request to extend the appointment of a non-executive member of City of Glasgow College, agreed to seek more information from the City of Glasgow College board to enable the Committee to consider this request more fully at its next meeting.

l)   Noted the annual report on committee membership, skills and attendance, and agreed to recommend to the Board that a co-optee should be recruited to join the Performance and Resources Committee in 2024.

7.3 Voluntary Severance Arrangements

December 2022

a)   Considered and approved the business case for a voluntary severance scheme for Glasgow Clyde College, to July 2025, noting the receipt of satisfactory legal guidance, and requested that the GCRB Executive Director submit application to SFC for their approval.

b)   Agreed to recommend to the Chair of the Board, that a wider discussion take place with the full board with regard to coherence of management of provision and financial planning for the region, within which voluntary severance would be a matter of consideration.

c)   In context of discussions on the impact of VS, agreed that the Executive Director should work with the Glasgow Colleges Regional Student Executive to discuss the possibility of a regional approach to student support.

January 2023 (single-item agenda)

d)   Considered and approved the business case for a voluntary severance scheme for Glasgow Kelvin College, noting that the assessment of risks relating to the proposed scheme and the Board minute approving the scheme in December 2022 had both been received, and requested that the GCRB Executive Director submit the application to SFC for approval.

February 2023 (single-item agenda)

e)   With regard to proposed changes to the City of Glasgow College VS scheme approved in October 2022, agreed that the information provided constituted a satisfactory explanation for the proposed increase in numbers; agreed that the revised information on costs and savings was sufficient; considered the additional information concerning an overall higher figure for staff departures and potential for compulsory redundancy, noting that a separate process would be required for each of these and confirming that no GCRB approval was given or implied by the approval of the current changes; agreed that the Executive Director should implement the lessons learned.

March 2023

f)   With respect to a request from Glasgow Clyde College for approval of a settlement agreement, noted the progress of this issue and approved submission of the Annex C and associated anonymised list of COT3 settlements to SFC; agreed that any lessons should be learned to avoid a repeat of this moving forward. The Chair of the Board also agreed to pass on information to the College Chairs and Principals group regarding part-time workers' annual leave as a separate point noted on employment law matters.

October 2023

g)   Noted a report from the Executive Director on assigned college staffing and requested that the report be shared with the full board for the risk register workshop.

7.4 Board Evaluation and Development

December 2022

a) Noted progress against the 2022-23 Development Plan.

b) Agreed to proceed using the existing (2022) Board performance evaluation questionnaire in January 2023, with a view to a new approach being in place for January 2024.

c) Considered committee performance and sought further clarification on the proposed changes to its Terms of Reference prior to making a recommendation to Board.

d) Considered and agreed a committee annual report for 2022 and priorities for 2023 for reporting to the Board in January 2024.

March 2023

e) considered themes for inclusion in the draft Development Plan 2023-24.

f) reviewed and agreed proposed clarifications of its Terms of Reference for recommendation to the Board.

g) Requested that the Board Chair discuss the Committee's concerns about comments in the City of Glasgow College evaluation report with the Committee Chair upon his return and progress as appropriate.

June 2023

h) Noted progress against the 2023-23 Development Plan, and agreed to pause monitoring progress with those activities arising from the External Effectiveness Review that were dependent on the outcome of the regional review.

October 2023

i) Agreed the evaluation process for 23-24 and the early performance appraisal meetings of the board chair and committee chairs (noting the board chair's term of office).

j) Agreed that the Board Secretary should write to the Scottish Government regarding an interim arrangement following the regional chair's term of office ending on 7 January 2024.

k) Reviewed and agreed the diversity succession plan for 2023-24

8. **Priority issues for 2021/22**

8.1. Members are invited to reflect on activity over the past year and developments within GCRB and externally impacting on its area of remit and discuss and identify any priorities for the year ahead. The Committee may wish to consider as part of its discussions:

- The ongoing review context and its implications for the Board and staff.
- The financial challenges faced by colleges and implications of potential further restructuring.

- GCRB membership changes during 2024, including the Regional Chair position, two Assigned College Chairs, and the introduction of Trade Union members.

9.   Risk & Compliance Analysis

9.1.   Performance review and reporting is key to effective systems of governance and internal control. Therefore, this report contributes to the mitigation of risk 0013, the capacity and capability of the Board is inadequate and standards of governance fall below the required level.

10. **Financial and Resource Analysis**

10.1   There are no specific financial or resource considerations arising from this paper.

11. Equalities Implications

11.1   The report refers to gender balance and equality and diversity training.

12. Learner Implications

12.1   The report does not have direct implications for the learner. Robust governance arrangements underpin the effective functioning of the college region.