

Nominations & Remuneration Committee

Date of Meeting	Thursday 27 May 2021
Paper Title	Update on External Governance Developments
Agenda Item	9
Paper Number	NRC5-E
Responsible Officer	Penny Davis, Board Secretary
Status	Disclosable
Action	For Information

1. Report Purpose

- 1.1** To update the Committee on the status of developments in several areas of external governance activity that impact on areas of the Committee's remit.

2. Recommendations

- 2.1.** The Committee is invited to **note** the report.

3. Background

- 3.1.** The pandemic has resulted in significant delays in several areas of legal/regulatory activity with implications for areas of the Committee's remit. The following report is provided on the basis of advice received, where relevant, from Scottish Government, the Standards Commission, SFC, and the Good Governance Steering Group (GGSG).

4. External Governance Developments

4.1 External Effectiveness Reviews

College sector boards were required to submit reports from externally-facilitated effectiveness reviews by the end of April 2021. (GCRB's review was completed and the report submitted by that deadline.) SFC does not intend to publish any findings from the reports although it will follow up issues where appropriate with individual bodies.

College Development Network, who undertook around half of the reviews, is collating reports from all boards and will be reporting on areas where it identifies a development role for CDN. This report will be shared with the Committee when available.

4.2 Trade Union Nominees on Boards

There has been no movement on this in the past year. Publication of the consultation (including a Draft Order to amend both the 1992 and 2005 Acts) has been delayed by the pandemic. The original timing was for Trade Union (TU) nominees to join boards in

August 2020. It is understood, however, that there will be progress with this in the coming months.

The Good Governance Steering Group is overseeing the development of a model process for the nomination of TU members. Members have been consulted on a draft prepared by the TU representatives.

GCRB will seek guidance, at an appropriate juncture, on the role of a TU member on a regional board, and the requirements of partnership working with TUs at regional level.

4.3 Ministerial Guidance on College Sector Board Appointments

The appointments guidance was reviewed during 2019-20 and a consultation was completed in 2020. Completion of the guidance and has been delayed, and the Scottish Government advises that there is no planned date for issue at this stage but that the matter will be progressed in due course. This has implications for succession planning/co-option given that the revised guidance will make provision for boards to hold suitable candidates 'in reserve' where a vacancy is expected to arise within a given timeframe.

4.4 Code of Good Governance

The Code of Good Governance was also reviewed during 2019-20. The GGSG is expected to meet in September 2021, at which point there should be a clearer timescale for finalisation and issue.

4.5 Code of Conduct

The Model Code of Conduct for Members of Devolved Public Bodies was also reviewed during 2019-20. The Scottish Government is currently analysing responses to the second-stage consultation with a view to placing the revised Code before Parliament in the autumn. GCRB had invited the Chief Executive of the Standards Commission to lead a session on aspects of the Code and she has reconfirmed she will do this once the Code is issued.

5. Risk Analysis

- 5.1** There are no risks associated with this report which is provided for information. Members should note, however, that ongoing delay in several areas of the governance framework has implications over all for governance within the sector and the advancement of best practice.

6. Legal Implications

- 6.1.** There are no legal implications of this report.

7. Resource Implications

- 7.1.** There are no new financial implications arising from this paper.

8. Equalities Implications

8.1. There are no immediate equalities implications arising from this report

9. Strategic Implications

9.1. There are no new strategic implications arising from this report.