

Nominations & Remuneration Committee

Date of Meeting	Tuesday 2 May 2017
Paper Title	Review of Board and Committee Membership
Agenda Item	11
Paper Number	NRC7-G
Responsible Officer	Penny Davis, Board Secretary
Status	Disclosable
Action	For Consideration and Decision

1. Report Purpose

1.1 To facilitate the Committee’s annual review of GCRB membership and tenure and consider matters that should be taken account of in succession planning in the coming year.

2. Recommendations

2.1 The Committee is invited to:

- **note** the contents of this report;
- **consider** arrangements for succession planning and request the GCRB board secretary to provide an update on this at the next meeting of the committee; and
- **consider** GCRB Committee membership and if deemed appropriate **recommend** adjustments to the composition of the Committees to the Board including the appointment of new members to the Committees.

3. Background

3.1 The Committee’s Terms of Reference require it to:

- 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 requirements¹**, 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.

3.2. The Committee reviews the balance of skills, experience and other attributes in the course of recruitment exercises during the year, however, this annual review point

¹ Text in red has been added to the revised terms of reference which will considered by the Committee on 2 May.

ensures that the Committee has an opportunity to consider aspects of Board membership overall, in order to plan its own work and advise the Board accordingly.

3.3. The following report provides an overview of membership and tenure, and draws the Committee's attention to several matters which may require further consideration.

4. Detail

4.1 Overview of Board Membership and Tenure

Member	Type of member	Appointment start date	Appointment end date	Term
Chair				
Margaret Cook	Chair	01/02/16	31/01/20	1
Assigned College Chairs				
Alisdair Barron	Chair of assigned college (City of Glasgow College)	01/11/15 (interim) 01/08/16 (1)	31/07/20	1
Irving Hodgson	Chair of assigned college (Glasgow Kelvin College)	01/05/14(1) 01/08/16 (2)	31/07/18	2
David Newall	Chair of assigned college (Glasgow Clyde College)	15/07/16	14/07/20	1
Staff Members				
Clare Ireland	Staff member (non-teaching)	01/05/14	21/07/18	1
Jim O'Donovan	Staff member (teaching)	01/05/14	31/07/18	1
Student Members				
Amparo Fortuny	Student Member	01/09/16	31/08/17	1
Ian Gilmour	Student member	30/09/15	31/08/17	2
Ordinary Members				
Paul Buchanan	Ordinary member	17/05/16	31/07/18	1
Frank Coton	Ordinary member	09/11/15	31/07/18	1
Lesley Garrick	Ordinary member	17/05/16	31/07/18	1
Carol Kirk	Ordinary member	01/05/14 (1) 01/05/16 (2)	31/05/18	2
Caroline MacDonald	Ordinary member	09/11/15	31/07/18	1
Maureen McKenna	Ordinary member	02/03/16	31/07/18	1
Jackie Russell	Ordinary member	09/11/15	31/07/18	1
Grahame Smith	Ordinary member	01/05/14 (1) 01/05/16 (2)	31/05/18	2
Mike Ward	Ordinary Member	27/02/16	31/07/20	1

4.2 Gender Balance

	Male	Female
Full Board (1 vacancy)	9 members: 53%	8 members: 47%
By membership category		
Chair of the Board	-	1: 100%
Non Executives (1 vacancy)	4: 44%	5: 56%
Assigned College Chairs	3: 100%	-
Staff Members	1: 50%	1: 50%
Student Members	1: 50%	1: 50%

5. Matters to Note/Discuss

5.1 General Notes on Tenure and Succession Planning

- 5.1.1** The Committee has reviewed skills balance, together with the Board Chair, in the course of its work overseeing board vacancies and recruitment during the year. A recruitment round is currently underway and it is expected that a new member with financial expertise will be appointed in time for the start of the 2017-18 academic year
- 5.1.2** Of the nine Non-Executives currently serving on the Board, eight have tenures due to expire in 2018: two at the end of May; six at the end of July.
- 5.1.3** Of the eight, two will be reaching the end of their extended period of office (i.e., their second term) which means that an appointments process will be required. Members who have served two terms may be re-appointed but must undergo an open recruitment process.
- 5.1.4** For the other six members whose tenure expires in 2018, it will be possible for the Board to extend their appointment by up to a further four-year term without undergoing an appointments process, although it should be noted that the extension of appointments requires satisfactory performance reviews and Ministerial approval.
- 5.1.5** To ensure that it is armed with adequate information to allow for effective succession planning, **the Committee may wish to ask the Chair to contact those members whose terms of office expire next year to gauge their interest in remaining on the Board.**

5.2 Staff and Student Members

- 5.2.1** Staff elections are also due to take place in 2018 (the term of these being set at four years by legislation).
- 5.2.2** Students may serve on a Board for a maximum of two years under the 1994 Education Act. This means that one of the current Student Members will necessarily leave at the end of the current academic year, and the other, if re-elected/nominated, may serve until the summer of 2018.

5.2.3 The Board must be satisfied that appropriate arrangements are in place for the election of Staff and Student Members. Arrangements for the election of student members to GCRB were approved in 2016 and the student executive has confirmed that the same procedure will be used in 2017. Guidelines were published by the College Development Network for staff elections in 2016 and GCRB will need to have regard to these, in so far as they apply to regional strategic bodies, when it comes to planning staff elections in 2018.

5.3 Gender and Diversity Succession Planning

5.3.1 The (draft) Development Action Plan states that the Committee will review a Diversity Succession Plan in the autumn, in accordance with requirements introduced in 2016 for Boards to publish both gender balance and a diversity succession plan annually and provide information to the Scottish Government on diversity.

5.3.2 GCRB's overall gender balance is currently 47% female: 53% male, with one vacancy expected to be filled before the start of the next academic year. Among its Non-Executive Members, the balance is 56% female: 44% male.

5.3.3 A bill is due to be considered by Parliament in 2016 concerning non-executive gender balance. If it passes into law it is likely to mean that in making non-executive appointments Boards will be required to appoint in favour of a 50/50 gender balance where two or more candidates are judged to be equally qualified for a given vacancy.

5.3.4 The Colleges' and GCRB board secretaries discussed board gender and diversity at their recent meeting and invited Equality and Diversity leads from the colleges to join the meeting. It was agreed that a checklist would be prepared covering actions that boards should take to ensure application and appointments procedures were open and accessible to groups presently underrepresented on boards. The checklist will be provided for the Committee's consideration at its first meeting in 2017-18 as part of a Diversity Succession Plan that sets out the Board's objectives.

5.4 Review of Committee Membership

5.4.1 The current membership of GCRB's committees is as follows:

Nominations and Remuneration	Performance and Resources	Audit
Jackie Russell (Chair)	Frank Coton (Chair)	Paul Buchanan (Chair)
Lesley Garrick	Carol Kirk	Caroline MacDonald
Ian Gilmour (student Board member)	Caroline MacDonald	Maureen McKenna
Clare Ireland (staff Board member)	Jim O'Donovan (staff Board member)	Grahame Smith
Grahame Smith	Paul Buchanan	Mike Ward
	Amparo Fortuny (student Board member)	

5.4.2 Committee membership needs to strike balance between:

- Specific knowledge, skills and experience which is relevant to the work of each committee.
- Individual members’ interest in the work of each committee

5.4.3 Without being unduly restrictive account should be taken of members’ knowledge skills and experience in determining the composition of Committees. The following are suggested as areas of knowledge, skills and experience relevant to the Committees.

Audit	Provision of, or interaction with, Internal and external audit Financial reporting Internal control Risk management Public sector governance Understanding of the further and higher education system
Performance & Resource	Strategic performance management Financial management, public sector funding and value for money Human Resources Estates development Further and higher education provision (including articulation, widening access, etc) Understanding of the further and higher education system.
Nominations & Remunerations	Public sector governance Human Resources Understanding of the further and higher education system.

5.4.4 An interim appointment had been made to the role of Audit Committee Chair during 2016. The interim Chair has confirmed his willingness to remain in post for the time being, noting that the recent and imminent appointments of members with financial skills and experience will provide scope for a review of committee membership in due course. In the context of longer term planning, the Committee should note that:

5.4.5 There is currently a significant degree of overlap between the non-executive membership of the Performance and Resources Committee and the Audit Committee (two members are common to both committees, including the Chair of Audit).

5.4.6 While there is no regulation expressly preventing any common membership between those committees - with responsibilities, respectively, for oversight of budget and resource management, and for oversight of audit and review of the annual financial statements – a general principle applies that audit should be as independent and objective a body as possible.

5.4.7 There are advantages, however, in ensuring effective communications between two committees that share responsibility for financial governance. This may

mean a common member or members, but it is also possible for a Board Member to be invited to attend a committee meeting without becoming a member (i.e., without having voting rights on the committee), in the way that the Chair may regularly attend Audit Committee meetings without being a member.

5.4.8 The Committee should also note the provision in the Further and Higher Education (Scotland) Act 1992 for the Board to co-opt additional members who are not Board Members to committees (co-opted members do not have voting rights).

5.4.9 **The Committee should review the overall Committee membership position to determine if it remains fit for purpose and recommend to the Board whether any changes are deemed necessary, including consideration of the participation of new members in committee activity.**

5.4.10 In terms of GCRB members not currently members of committees, the board is in the process of recruiting a new board member with financial experience. Based on these skills evaluations, it is recommended that the new board member joins the Performance and Resources Committee.

6. Risk Analysis

6.1 There are risks associated with the potentially high turnover in non-executive membership in 2018 outlined under 4.2 a) and the need for continuity of knowledge and leadership.

6.2 There is a degree of risk to the independence of the Audit Committee associated with overlapping membership outlined under 4.2 c) which the Committee, together with the Chair of the Board, should take account of in longer term planning.

7. Legal Implications

7.1 There are no legal implications other than those referred to in the report.

8. Financial Implications

8.1 There are no new financial implications arising from this paper.

9. Regional Outcome Agreement Implications

9.1 This report is not directly relevant to the Regional Outcome Agreement, however, a balanced Board and robust governance arrangements are the essential to the effective determination and delivery of GCRB objectives.