

Board of Management

Meeting	Chairs Committee
Date and time	Thursday 23 February 2017 at 8.30 a.m.
Location	Board Room, 1 Inverness Campus

College Secretary
24 January 2017

AGENDA

Welcome and Apologies

Declarations of Interest

- 1. MINUTES OF MEETING OF THE COMMITTEE HELD ON 31 January 2017**
- 2. SENIOR INDEPENDENT MEMBER**
Paper on Role/remit
- 3. BOARD MEMBER EVALUATION – UPDATE**
- 4. ASSURANCE FRAMEWORK**
Extract from Audit Committee – 29 November 2016
- 5. RISK APPETITE**
Discussion on how to take this forward
- 6. BOARD RECRUITMENT**
Verbal update
- 7. DATE OF NEXT MEETING**
Thursday 30 MARCH 2017 - 8.30 a.m.

MINUTES of the MEETING of the CHAIRS COMMITTEE held in Room 220, 1 Inverness Campus on Tuesday 31 January 2017

PRESENT: Brian Henderson, Louise James, Neil Stewart, John Wilson
CHAIR: Neil Stewart
APOLOGIES: Hazel Allen
ATTENDING: Principal
Board Secretary

1. MINUTES OF MEETING OF THE COMMITTEE HELD ON 24 NOVEMBER 2016

The Minutes of the Meeting held on 24 November 2016 were agreed as a correct record, **APPROVED** and signed.

2. STRATEGY / KPI HALF DAY EVENT

The Chair reminded members that at the Board Meeting in December it had been agreed that a half day event be held to discuss the underpinning strategies and KPIs.

Following a lengthy discussion on how to plan the event and reach a meaningful outcome, it became evident that there was not enough time set aside to discuss all the supporting strategies (14 in total) and KPIs. The Chairs considered how best to take this forward and concluded that rather than have a specific event to discuss all the strategies, each of the committees would consider the supporting strategies relevant to that committee remit and also consider the KPIs.

It was noted that many of the strategies overlapped with each other e.g. business development and enterprise, business development and curriculum so it was **AGREED** that the Lead Officers, when preparing their covering reports on each of the strategies would highlight the overlaps.

All Board Members would also be invited to attend each of the committees if they so wished.

The Committees would look to agree the supporting strategies and the KPIs and make a recommendation to the Board of Management meeting on 15th June that they be approved. This would ensure that the supporting strategies and the KPIs were in place for the beginning of the 2017-18 academic year.

It was **AGREED** to defer discussion on Risk Appetite as the Chair of the Audit Committee was not present.

3. **COMMITTEE STRUCTURE AND TERMS OF REFERENCE**

a) Committee Structure

The Committee discussed the current committee structure and agreed that it was still fit for purpose. The Vice Chair asked a question relating to governance in that the New Campus Project Board had not met since October 2015. He suggested that a recommendation be made to the Board of Management that the New Campus Project Board be wound up and that any extant issues become the responsibility of the Finance and General Purposes Committee.

The Principal reported that there had been nothing to report to the New Campus Project Board as Equitix had not progressed the outstanding issues relating to Group 2 or the Compensation event. In addition, the College had not yet received the final account.

The Committee **AGREED** that it would be useful to call a meeting of the New Campus Project Board to review the current position and requested the Board Secretary to identify a suitable date when all members could attend.

b) Terms of Reference

The Committee **NOTED** the committee terms of reference and **AGREED** that these be considered by each Committee, in the May/June cycle of meetings.

4. **NON-EXECUTIVE BOARD MEETING**

The Chair advised that it was good practice for the Board to meet with only non-executive members.

The Committee **AGREED** that the Chair and the Board Secretary should identify an appropriate date for such an event in late spring.

5. **ARTICLES OF GOVERNANCE**

A report by the Board Secretary advised that incorporated colleges were established under the Further and Higher Education (Scotland) Act and under that Act, Boards of Management were responsible for developing Standing Orders, Schemes of Delegation and Staff Member Election Rules.

The Committee

1. noted the Guide relating to the key functions, constitution and proceedings of Boards of Management and
2. considered the Scheme of Delegation and Standing Orders and staff member election rules and recommended them to the Board of Management for approval.

6. **BOARD MEMBER EVALUATION – UPDATE**

The Chair confirmed John Wilson's evaluation was complete and that Brian Henderson's evaluation was scheduled for later in the day.

The outstanding evaluations would be scheduled over the next two months.

7. ACADEMIC MANAGEMENT COMMITTEE MINUTES

The Committee discussed whether or not the minutes of the academic committees should continue to be included in the Board committee papers.

As the minutes were mainly reporting on operational matters it was **AGREED** that they would no longer be included in Board Committee papers.

8. ASSURANCE FRAMEWORK

As the Chair of the Audit Committee was not present, it was **AGREED** that this item be carried over to the next meeting in February.

9. UHI STRATEGY EVENT AND MARCH COURT MEETING

The Chair advised that he was unable to attend this event on 21 and 22 March as he was away on business that week.

It was **AGREED** that the College Secretary would seek a substitute.

10. DATE OF NEXT MEETING

Thursday 23 February 2017 - 8.30 am

Signed by the Chair: _____

Date: _____

NOTE OF CONCLUSIONS OF NETWORKING EVENT FOR SENIOR INDEPENDENT MEMBERS

7TH DECEMBER 2016

The discussion identified four main areas for debate:

- a) A common understanding of the role/remit of a Senior Independent Member (SIM)
- b) The attributes required when considering appointment of a SIM including
 - The degree of 'independence' required
 - The extent to which the role can be held in conjunction with other posts
 - The personal characteristics required
- c) The role of the SIM in Chair Appraisal
- d) The relationship between the SIM and other key personnel both inside the college and externally (SFC/government/regional strategic body)



@ColDevNet

www.facebook.com/collegedevelopmentnetwork

www.collegedevelopmentnetwork.ac.uk

Role/Remit of the SIM

The role of the SIM is described in general terms in the sector's Code of Good Governance -

“A14. The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the board secretary when necessary (see Annex 1 for the definition of ‘non-executive’). The senior independent member should also be available where contact through the normal channels of chair, principal or secretary has failed to resolve an issue or for which such contact is inappropriate. Further information on the role of the senior independent member can be found in The Guide for Board Members in the College Sector. “

“D24. The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the vice-chair/senior independent member. “

Until now, few colleges have had cause to make use of their SIMs, except with regard to the Chair appraisal process. In some instances the post has been explicitly linked with that of the Vice Chair while in others a conscious decision has been taken to differentiate the post from that of the Vice Chair/ Chair of Audit etc in order to protect its independence from the Chair.

Roles currently being undertaken by SIMs vary but include

- Organiser of the Chair's appraisal including coordinating board member views, providing feedback to the Chair (orally and/or in writing). Some SIM's are doing this in conjunction with the Vice Chair, others are doing it themselves and others hold both roles in any case
- Addressing any issues with the Chair that are raised with the SIM by board members, the Principal or senior staff
- Drawing matters to the attention of the Board if they are not mentioned by the Chair
- Acting as a link to the rest of the Board for the Board Secretary if he/she is concerned about a Chair's decision on the information provided to the Board
- Sounding board/confidante for the Chair, individual board members, Principal and in some cases SMT
- Hears appeals over the removal of a board member
- Ex officio Vice Chair or Remuneration Chair.

It was agreed that it would be helpful to have a common understanding of the role of the SIM in order to inform their appointment process, ensure that postholders understand what is expected of them and that other board members and the board secretary know what they can expect from the postholder.

The following SIM role description was proposed –

The Senior Independent Member is appointed by the Board as a whole to provide advice and guidance to the Board Chair, as required and on its members' behalf, in order to support good standards of corporate governance and the maintenance of collective responsibility. Situations in which that advice and guidance may be required include

- a) Leading the annual appraisal of the Board Chair, alone or in conjunction with the Vice Chair, including ensuring
 - i. All board members have an opportunity to express their views on the Chair's performance over the last year and areas for development over the coming 12 months
 - ii. The Chair is given the opportunity to understand and discuss the collective views with the SIM
 - iii. An annual development plan is agreed with the Chair and the SIM ensures the board is informed of its content
 - iv. If required, the SIM facilitates the provision of information from the appraisal process to the Chair's appointing body (Scottish Government or the Regional Strategic Body)
- b) Intervening with the Chair, on behalf of the Board, if board members, the board secretary or senior staff are concerned that the Chair's actions are undermining good standards of corporate governance and the maintenance of collective responsibility, including if the Chair
 - i. Is unable to fulfil the responsibilities set out in the letter of appointment
 - ii. Fails to make pertinent information available to the Board as a whole
 - iii. Undermines the collective responsibility of the Board as a whole
 - iv. Acts in a manner which brings the Board into disrepute, including failing to address personal conflicts of interest
 - v. Is unable to work with the Principal to ensure that the staff of the organisation provide the Board with the service required, including adequate sources of information and assurance and delivery of performance
- c) Acting as a sounding board for the Chair in pursuit of good standards of corporate governance and collective responsibility.

Should a SIM ever have serious concerns about the propriety, regularity or governance of the college, and these cannot be resolved satisfactorily with the Chair, they should inform the Scottish Funding Council or, in the case of an assigned college, the relevant Regional Strategic Body.

Attributes of a SIM

It was agreed that when appointing a SIM, Boards should give careful consideration to the personal attributes required of that postholder. The following attributes were suggested –

- Seen as having personal integrity and being independent of the Chair and Principal
- Experienced in and knowledgeable of the requirements of good governance and collective responsibility
- Respected by all board members and able to engage constructively with all concerned
- Ability to consider matters calmly and constructively, striking an appropriate balance between support and challenge

It was agreed that it should be for each Board to decide whether the SIM also holds other senior roles e.g. Vice Chair, Chair of Audit but, in doing so, Boards must satisfy themselves that any additional roles will not undermine the individual's ability to fulfil the role of SIM – the role of SIM is set out in the Code of Good Governance and is therefore a condition of grant.

When appointing the SIM, Boards may wish to give consideration to how long the appointment should last.

Role of SIM in Chair Appraisal

It was noted that the Code of Good Governance states

“The evaluation of the board chair should normally be led by the vice-chair/senior independent member.”

It is therefore for each Board to decide the respective roles of the SIM and Vice Chair in the Chair Appraisal process. It was clear however that most SIMs have led or been involved in appraisal of their Chair to date. The processes adopted varied at the margins but there were a number of common features –

1) How are board member’s views canvassed?

- Most use a written form that lists criteria and board members are asked to assess performance against them.
- A range of forms are used, involving different criteria, different scoring and different requirements for comments and evidence.
- Some board’s invite the Principal to take part in the process, others don’t

2) Who collates the information?

- Forms are sent to either the board secretary who collates them for the SIM/Vice Chair, or directly to the SIM/Vice Chair who aggregates them personally
- Some boards ask members to add their name to the form which is seen only by the board secretary/SIM/ Vice Chair, others complete the forms anonymously

3) How is the feedback offered to the Chair?

- Mostly in written summary form plus a 1:1 meeting with the SIM and/or Vice Chair, which also agrees future development plans for the Chair

4) How are the results reported back to the Board?

- Most colleges provide a confidential written report to board members and report back on it (in some colleges the Chair withdraws for this discussion, in others he/she is present)
- A few colleges provide only verbal feedback to the Board which the Chair may or may not attend

5) Any links with the Chair appraisal process undertaken by Scottish Government (SG) or the Regional Strategic Body (RSB)?

- The position is still unclear. Some appraisal processes take account of the record of the Chair’s appraisal with SG/RSB, others don’t. In no cases have SG/RSB asked for feedback from the board appraisal process.

The meeting agreed that further work is needed to help SIMs ensure they are reflecting best practice in the Chair appraisal process.

Jan Polley
5th January 2017



Extract from Audit Committee – 29 November 2016.

It was **AGREED** that the Board needed an overview of the whole assurance framework and an understanding of how audits and quality assurance meshed together. This matter would be discussed at a future meeting of the Chairs Committee as it was a potential area for board development.

The Committee also **AGREED** that there was a need to ensure that there was a clear link between the audit plan and the strategic risk register.