

Board of Management Performance, Remuneration & Nominations Committee

Date of Meeting	Monday 15 January 2018
Paper No.	PRNC2-C
Agenda Item	5
Subject of Paper	Committee Terms of Reference
FOISA Status	Disclosable
Primary Contact	Paul Clark, College Secretary/Planning
Date of production	18 December 2017
Action	For Discussion/Decision

1. Recommendations

1. To review the Committee Terms of Reference, and recommend to the Board of Management for approval subject to any agreed changes.

2. Purpose of report

2.1 To provide the Committee with an opportunity to review the Committee Terms of Reference.

3. Context

3.1 It is a matter of good governance for all Board Committees to review their Terms of Reference (ToRs) on a regular basis. This exercise was last undertaken in January 2017.

3.2 In 2017, Committee members undertook the CDN training module for Remuneration Committee members, which recommended a number of fundamental elements for Remuneration Committee Terms of Reference. A review of the PRNC ToRs was undertaken, and members noted that improvements could be made. Consequently the undernoted changes were agreed by the PRNC, and approved by the Board of Management in June 2017 (highlighted sections added):

6. To review at least annually the performance, remuneration, and terms and conditions of the Principal and other senior staff, **adopting a process consistent with the Code of Good Governance.**

9. **To demonstrate efficient and effective use of public funds in the committee's decisions, so that they reflect the performance of the organisation and the requirement for its ongoing financial sustainability.**

3.4 An action from the PRNC meeting of October 2017, was that the College Secretary should review the Code of Good Governance "to check for guidance in terms of senior staff performance and salary review". It is confirmed that the section of the Code referring to Accountability and Delegation in respect of the Remuneration Committee (paras C19-C21; Code of Good Governance; p9) refers only to responsibility for setting the remuneration of the Principal, and does not refer to responsibilities for senior staff performance and salary review. However the Code does state that:

"The board must ensure that a comprehensive performance measurement system is in place which identifies key performance indicators." (Code of Good Governance, 2016; Para A7 p4).", and must "...ensure that a comprehensive performance measurement system is in place which identifies key performance indicators. (ibid. para A.8; p5).

4. Impact and implications

4.1 Regular review of Committee Terms of Reference will ensure that this important aspect of governance is appropriate to the delegated responsibilities of Committees, and reflects Board and Board Committee practice.

4.2 The Terms of Reference require regular review to ensure that recommendations within CDN training and other sector guidance are included, and that appropriate reference is made to the Code of Good Governance.

Appendix:

Committee Terms of Reference; approved June 2017.

CITY OF GLASGOW COLLEGE

Performance, Remuneration & Nominations Committee of the Board of Management

Terms of Reference

Note

In these terms of reference the words “senior staff” include the Principal, any Depute, Vice and Assistant Principals, and all staff at Executive Director or Director level or equivalent.

Performance

1. To keep the College’s Balanced Scorecard under review, to monitor its alignment with the College’s Strategic Plan, and to review progress and outcomes.
2. To monitor overall College performance with reference to the College Strategic Plan and relevant quality indicators.
3. To evaluate the preparedness of the College to meet the challenge of achieving the aims and objectives of the Strategic Plan.
4. To review senior staff performance regularly against agreed targets.
5. To consider the strategic viability, effectiveness and efficiency of any area of College activity, and to make recommendations to the Board of Management as appropriate.

Remuneration

6. To review at least annually the performance, remuneration, and terms and conditions of the Principal and other senior staff, adopting a process consistent with the Code of Good Governance.
7. To consider proposed staff severance arrangements for senior staff, and to make recommendations as appropriate to the Board of Management.
8. To determine the appropriate guidance for Board member expenses.
9. To demonstrate efficient and effective use of public funds in the committee’s decisions, so that they reflect the performance of the organisation and the requirement for its ongoing financial sustainability.

Nominations

10. Within the context of applicable legislation and associated government guidance, the College Scheme of Delegation and Standing Orders, and relevant guidelines on standards in public life, to manage the process by which Members of the Board of Management are recruited, selected, and recommended for appointment.
11. To consider objectively, transparently and fairly candidates for Board Membership, and to make recommendations for appointment to the Glasgow Colleges’ Regional Board.

12. To monitor and evaluate the composition, skills and experience base and representational balance of the Board of Management, taking account where relevant of the terms of office of Members, and of issues of diversity and equalities.
13. To receive and review evaluation reports on Board performance, and on the development of Members.
14. Where the Board of Management so determines, to provide assistance in identifying, selecting and recommending candidates for appointment to senior staff positions in the College, and to senior positions in College subsidiaries or any other body to which the College is entitled to make appointments.

General

15. To take decisions on behalf of the Board of Management in instances of emergency or high urgency where it is not feasible to convene a full Board meeting, and to inform all Board Members without delay of any decisions taken under this delegated authority.