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| HIGH LIFE HIGHLAND  REPORT TO BOARD OF DIRECTORS  2 October 2013 | AGENDA ITEM 15  REPORT No HLH 27/13 |

## **REVIEW OF HIGH LIFE HIGHLAND COMMITTEES ETC AND MEMBERSHIP**

## **Report by Company Secretary**

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| **Summary** This report invites the Board to review the structure of Board Committees etc and to review the membership, if necessary.  It is recommended that Directors:-   1. consider the various groupings of Directors, detailed in **Appendix A**, and to agree:- 2. the renaming of the Wick Archive Centre Working Group and the Inverness Iconic Building Project Group as the National Nuclear Archive and Wick Archive Reference Group and the Inverness Cultural Centre Reference Group respectively; 3. the remit of the National Nuclear Archive and Wick Archive Reference Group; 4. to appoint the Head of Resources to the National Nuclear Archive and Wick Archive Reference Group; and 5. to delete the Funding and Sponsorship Committee and the Heritage Project Group. 6. following on from (i) above, consider the membership where periods of office of Directors are approaching 2 years as detailed in **Appendix A**, namely the Finance and Audit Committee and the High Life Highland (Trading) C.I.C. Recruitment Sub Committee; and 7. note the Directors’ main areas of interest list, as detailed in **Appendix B**. | |
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| **1.** | | **Business Plan Contribution** |
| 1.1 | | The report below will contribute to outcomes 1 and 3 of the High Life Highland (HLH) Business Plan:-   1. A positive company image. 2. Delivery of the contract with The Highland Council. |
| **2.** | | **Background** |
| 2.1 | | At its meeting on 20 October 2011, the HLH Board agreed to establish Committees for Finance and Audit, Nominations and Funding and Sponsorship, the first 2 being required under the Company’s Memorandum and Articles of Association. It was also agreed that the minutes of the Committees form part of Board agendas. The current membership of these Committees, and other Committees, Working Groups, Project Groups etc, are detailed in the **Appendix A** of this report. |
| 2.2  2.3 | | It was also agreed that (a) the Chair and Vice Chair have the right to attend Committee and Project Groups; (b) Committees were to be chaired by Directors and Project Groups by the Chief Executive or Head of Service Directors; and (c) in the first instance, Directors serve on each of the Committees for 2 years. The length of Directors’ membership on the various Committees etc are also detailed in **Appendix A** and which highlights which Directors periods of office are now approaching 2 years.  Over the last 2 years a number of other groups of Directors have been formed and, in the interests of good governance, the opportunity is now available to formally review the arrangements. |
| **3.** | | **Definition of Formal Meetings of Directors** |
| 3.1 | | To avoid any potential future ambiguity, it is suggested that the Board consider the following definitions of groupings:-   * Committee – as required in the Company’s Memorandum and Articles of Association, long term/permanent group of Directors set up to consider on-going matters (or as and when required such as the Nominations Committee) and others as deemed appropriate by Directors from time to time for specific projects. Minutes reported back to main Board. * Reference Groups – to provide advice to the Chief Executive and/or other Head(s) of Service, predominantly but not exclusively made up of groups of Directors based around their stated areas of work preference listed in **Appendix B**. Verbal updates reported to main Board, minutes/reports where specifically agreed. |
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| **4.** | | **Implications** |
| 4.1 | | Resource Implications – there are no new resource implications arising from the recommendations of this report.  Legal Implications – there are no new legal implications arising from the recommendations of this report. However, this review ensures that the Company is complying with its Memorandum and Articles of Association and is in line with good practice/corporate governance.  Risk Implications – there are no new risk implications arising from the recommendations of this report. |
| **Recommendation** It is recommended that the Board:-   1. consider the various groupings of Directors, detailed in **Appendix A**, and to agree:- 2. the renaming of the Wick Archive Centre Working Group and the Inverness Iconic Building Project Group as the National Nuclear Archive and Wick Archive Reference Group and the Inverness Cultural Centre Reference Group respectively; 3. the remit of the National Nuclear Archive and Wick Archive Reference Group; 4. to appoint the Head of Resources to the National Nuclear Archive and Wick Archive Reference Group; and 5. to delete the Funding and Sponsorship Committee and the Heritage Project Group. 6. following on from (i) above, consider the membership where periods of office of Directors are approaching 2 years as detailed in **Appendix A**, namely the Finance and Audit Committee and the High Life Highland (Trading) C.I.C. Recruitment Sub Committee; and 7. note the Directors’ main areas of interest list, as detailed in **Appendix B**. | | |

Signature:

Designation: Company Secretary

Date: 13 September 2013

**APPENDIX A**

**High Life Highland Board**

**Committees, Working Groups, Project Boards etc**

**Finance and Audit Committee**

Remit

To assist the Board of Directors in fulfilling its responsibilities with regard to oversight of (a) the Company’s financial statements and auditing and related reporting processes; and (b) the Company’s systems of internal control regarding finances, including risk management, accounting and financial reporting.

Membership

1 Highland Council and 1 Independent Director plus Chief Executive, Head of Resources and Finance Manager

Laurence Young – 20 October 2011

Fraser Parr – 27 September 2012

Linda Kirkland – 6 December 2012

Douglas Graham – 28 March 2013

Two Year Term Completed:-

Laurence Young

**Recommendation – election for vacancy**

**Nominations Committee**

Remit

To make recommendations to The Highland Council in relation to the selection of appropriate individuals for appointment as Independent Directors.

In carrying out its functions, the Nominations Committee shall give effect to the following principles:-

* the Nominations Committee should set an appropriate skills matrix to guide it in selecting and evaluating appropriate candidates, and should review and adjust that skills matrix from time to time;
* nominations for Directors falling within the remit of the Nominations Committee should be sought from a range of appropriate sources;
* all expressions of interest should be considered by the Nominations Committee; and
* the Nominations Committee should maintain a register of suitable candidates for future reference

Membership

1 Highland Council and 1 Independent Director plus Director of Education, Culture and Sport and HLH Chief Executive

Drew Millar – 27 September 2012

Laurence Young – 28 March 2013

Two Year Term Completed:-

None

**Funding and Sponsorship Committee**

Remit

To:-

1. develop and maintain a funding matrix with Red, Amber and Green (RAG) ratings highlighting opportunities for HLH to source new funding streams. Red being not appropriate/eligible for HLH, Amber being partially appropriate and Green being wholly appropriate / eligible for HLH;
2. ensure action is taken to research and progress each funding opportunity identified;
3. devise a sponsorship matrix linking commercial opportunities provided by HLH with an incremental scale of fees, from contra deals through to cash income, to match each potential offer;
4. ensure action is taken to roll out the sponsorship matrix across all services;
5. devise and maintain a portfolio of key business contacts.

Membership

Up to 4 Directors, HLH Chief Executive, Head of Business and Finance Manager.

Appointed:-

Donald McLachlan - 28 March 2013

Drew Millar – 28 March 2013

Ken Nicol – 20 October 2011

John Watt – 20 October 2011

Two Year Term Completed:-

Ken Nicol and John Watt

**Recommendation from the Funding and Sponsorship Committee at its meeting on 27 June 2013 that this Committee be dissolved. If not dissolved, election for vacancies.**

**Chief Executive Performance Review Committee**

Remit

To:-

1. agree the annual performance objectives and targets for the Chief Executive;
2. agree an annual Personal Development Plan with the Chief Executive; and
3. review performance against the agreed objectives and targets with the Chief Executive, at least twice a year.

Membership

3 Directors including 1 Council Director and 2 Independent Directors. In this representation it should also include Chair of HLH Board and HLH Trading Company.

Appointed:-

Drew Millar – 27 September 2012

Linda Kirkland (as Chair of HLH)

John Murray (as Chair of HLH (Trading))

Two Year Term Completed:-

None

**High Life Highland (Trading) C.I.C. Recruitment Sub Committee**

Remit

To select Directors for the Trading Subsidiary.

Membership

Vacant (was C Ewan)

Mrs Kirkland

Mr D Millar

Appointed 22 September 2011

Two Year Term Completed:-

All

**Recommendation – election for vacancies**

**Heritage Project Group**

Remit

Up to 4 Directors, HLH Chief Executive, Head of Business, Finance Manager. Chaired by Head of Resources

Membership

Jaci Douglas – 20 October 2011

Bette McArdle – 20 October 2011

Two Year Term Completed:-

Jaci Douglas and Bette McArdle

**Recommendation - Project Group be dissolved**

**Wick Archive Centre Working Group (short term)**

Remit

No formal remit set by the Board. Purpose – to advise the Head of Resources

Membership

Douglas Graham

Laurence Young

Ken Nicol

All three appointed 28 March 2013

Due for reappointment:-

None – short term Reference Group

**Recommendation:-**

* **rename as National Nuclear Archive and Wick Archive Reference Group**
* **agree remit is “ to advise the Head of Resources on the development of a potential contract bid for the management and operation of a National Nuclear Archive and Wick Archive”.**
* **Add Head of Resources as a member**

**Inverness Iconic Building Project Group (short term)**

Remit

To formulate a draft way forward for the development of an iconic building for Inverness

Membership

Head of Resources

Ken Gowans

Bette McArdle

Donald McLachlan

All three appointed 28 March 2013

Two Year Term Completed:-

None - short term Reference Group

**Recommendation – rename as Inverness Cultural Centre Reference Group**

**Membership of Duke of Edinburgh Award Scheme – Highland Award Partnership**

Jaci Douglas (appointed 21 June 2012)

**Lead Director – Health and Safety**

Ken Nicol – 29 March 2012

**APPENDIX B**

**DIRECTORS THREE MAIN AREAS OF INTEREST**

**(following 28 March 2013 High Life Highland Board Meeting)**

**Area** **Director**

Adult Learning Linda Kirkland

Fraser Parr

Douglas Graham

Archives Donald McLachlan (National Nuclear Archive)

Drew Millar

Douglas Graham

Ken Nicol (National Nuclear Archive)

Arts John Watt

Ken Gowans

Jaci Douglas

Catriona MacLean

Bette McArdle

Leisure and Community Facilities Donald McLachlan

Fraser Parr

Bette McArdle (floral facilities)

Ken Nicol

Drew Millar

Catriona MacLean

Libraries Linda Kirkland

Ken Gowans

Drew Millar

Museums Linda Kirkland

Laurence Young

John Watt

Ken Gowans

Jaci Douglas

Bette McArdle

Sport John Watt

Donald McLachlan ( Youth Sport)

Fraser Parr

Ken Nicol

Drew Millar

Outdoor Education Ken Nicol

Douglas Graham

Laurence Young

Youth Work Laurence Young

Jaci Douglas

Fraser Parr

Catriona MacLean

Bette McArdle