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| HIGH LIFE HIGHLAND  REPORT TO BOARD OF DIRECTORS  11 December 2018 | AGENDA ITEM 12 REPORT No HLH 20/18 |

## **High Life Highland (Trading) C.I.C. – Recruitment of Directors – Joint Report by Company Secretary and Chief Executive**

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| **Summary** The purpose of this report is to invite Directors to consider how to proceed with the recruitment of Directors to the Board of High Life Highland (Trading) C.I.C.  It is recommended Directors:-   1. note that, by its next meeting, the positions of Mr David Finlayson, Ms Alison Matheson (Independent Directors) and Mr Mark Tate (Main Board appointed Director) of High Life Highland (Trading) C.I.C. will require to be considered as their three year appointment will be approaching or will have reached their end; 2. note that the positions of Mr Craig Ewan (Independent Director), Mr Donald McLachlan and Mr Ken Nicol (Main Board appointed Directors) have now reached their end; 3. agree that the independent Directors be approached to ascertain if they wish to continue as Directors and, if so, for how long, with terms of appointment being extended as required; 4. (re)appoint 3 main Board Directors to the High Life Highland (Trading); and 5. consider how it wishes to proceed to fill any/all of the vacancies. |

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| **1.** | **Business Plan Contribution** |
| 1.1 | This report supports all the Business Outcomes from the High Life Highland (HLH) Business Plan:   1. **To advance sustainable growth and financial sustainability** 2. Deliver the Service Delivery Contract with THC 3. Improving staff satisfaction 4. Improving customer satisfaction 5. **A positive company image** 6. **Services designed around customers and through market opportunities** 7. Sustain a good health and safety performance 8. A trusted partner |
| **2.** | **Background** |
| 2.1 | In terms of Item 54 of the Memorandum and Articles of Association, ‘The Holding Company exercises its powers in relation to appointment and removal of directors in such a manner as to reflect the principle that (subject to any special considerations which may apply from time to time) directors shall generally serve for a three-year term, but on the basis that a director may be re-appointed for a further three-year term or terms at the discretion of the Holding Company. |

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| **3.** | **Evolution of High Life Highland (Trading) C.I.C.** |
| 3.1  3.2 | High Life Highland (Trading) C.I.C. held its first meeting in January 2012, with a Board of 7 Directors, holding 4 meetings each year.  Since that time there have been a number of changes, both to Directors and to the format of the Company. For example, formal Board meetings increased to 6 each year but have reduced now to 2 meetings with an update between meetings and with an increased Board of 9 Directors (5 independent and 4 from the main charity board). Directors are also involved, between meetings, where their specific expertise is called upon. |
| **4.** | **Directors’ Terms of Office** |
| 4.1 | As a result of its evolution and historic resignations taking place outwith the usual 3 year term of office, the Trading Board has a number of Directors who have now reached the end of their term of office or who will do so in the first few months of 2019. |
| 4.2  4.3 | Those Directors who have reached the end of their term are Mr Craig Ewan (current Chair and Independent Director of the High Life Highland (Trading) Board) and Mr Donald McLachlan and Mr Ken Nicol, both Main Board appointees.  In addition Mr David Finlayson, Ms Alison Matheson (Independent Directors) and Mr Mark Tate (Main Board appointed Director) will, by the time of the next High Life Highland Board meeting, be approaching or will have reached their three year term. |
| **5.** | **Previous Experience of Recruitment** |
| 5.1 | In the past it has proved difficult to attract Directors with the necessary skills and attributes to the Board of High Life Highland (Trading) C.I.C., particularly those with a commercial background. However, the Board is now fortunate to have Directors with a wide and varied background covering both the leisure and tourism industries. This was further enhanced with the addition of two Directors from Inverness Leisure, Mr Donald Finlayson and Ms Alison Matheson. |
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| 5.2 | Accordingly it is suggested that the 3 Independent Directors of the Trading Board be reappointed, should they so agree, for a further 3 year period. It would, of course, be open to them to resign at any point of their choosing. This would ensure that the current pool of expertise was preserved into the future. |
| 5.3 | As indicated above there are also 3 main Board Directors reaching (or who have reached) the end of their term of office. These are Messrs Donald McLachan, Ken Nicol and Mark Tate. The Board will therefore wish to consider representation from the Main Board. |
| 5.4 | Main Board appointments too would be for 3 years unless the Director(s) cease as a Director of High Life Highland. |
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| **6.** | **Implications** |
| 6.1  6.2 | Resource Implications – there are no additional resource implications arising from this report.  Legal Implications - there are no new legal implications arising from this report. |
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| 6.3 | Risk Implications – there are no new risk implications arising from this report. |

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| **Recommendation** The purpose of this report is to invite Directors to consider how to proceed with the recruitment of Directors to the Board of High Life Highland (Trading) C.I.C.  It is recommended Directors:-   1. note that, by its next meeting, the positions of Mr David Finlayson, Ms Alison Matheson (Independent Directors) and Mr Mark Tate (Main Board appointed Director) of High Life Highland (Trading) C.I.C. will require to be considered as their three year appointment will be approaching or will have reached their end; 2. note that the positions of Mr Craig Ewan (Independent Director), Mr Donald McLachlan and Mr Ken Nicol (Main Board appointed Directors) have now reached their end; 3. agree that the independent Directors be approached to ascertain if they wish to continue as Directors and, if so, for how long, with terms of appointment being extended as required; 4. (re)appoint 3 main Board Directors to the High Life Highland (Trading); and 5. consider how it wishes to proceed to fill any/all of the vacancies. |

Designation: Company Secretary

Date: 8 October 2018