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| HIGH LIFE HIGHLAND  REPORT TO BOARD OF DIRECTORS  25 March 2019 | AGENDA ITEM REPORT No HLH /19 |

## **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/appointment of Directors to the Board of High Life Highland (Trading) C.I.C.  It is recommended Directors:-   1. note that Mr Craig Ewan, Mr David Finlayson, Ms Alison Matheson (Independent Directors) have reached the end of their three year appointment on the Board of High Life Highland (Trading) C.I.C.; 2. note that the positions of Mr Donald McLachlan, Mr Ken Nicol and Mr Mark Tate (Main Board appointed Directors) have now also reached the end of their three year appointment; 3. agree that, as the independent Directors have indicated that they wish to continue as Directors, they be appointed for a further 3 year term; and 4. (re)appoint 3 main Board Directors to the High Life Highland (Trading). |

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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 | The Trading Board has a number of Directors who have now reached the end of their three year term of office. |
| 4.2  4.3 | Those Independent Directors who have reached the end of their term are Mr Craig Ewan (current Chair), Mr David Finlayson and Ms Alison Matheson.  In addition Main Board Directors who have reached the end of their term are Mr Donald McLachlan, Mr Ken Nicol and Mr Mark Tate. Mr Donald McLachlan, as Chair of the Main Board, would be entitled to attend meetings but was appointed in his own right. |
| **5.** | **Previous Experience of Recruitment** |
| 5.1 | The Board is fortunate to have Directors with a wide and varied background covering health and the leisure, commercial and tourism industries. |
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| 5.2 | The 3 Independent Directors of the Trading Board were approached and have indicated they would be willing to be reappointed 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 who have reached the end of their term of office. At the Board’s last meeting, Directors indicated that they wished to delay (re)appointment until recruitment to the main Board was completed. With the appointment of the 2 new Directors to the Main Board, the Board will now wish to consider its representation on the Trading 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 Mr Craig Ewan, Mr David Finlayson, Ms Alison Matheson (Independent Directors) have reached the end of their three year appointment on the Board of High Life Highland (Trading) C.I.C.; 2. note that the positions of Mr Donald McLachlan, Mr Ken Nicol and Mr Mark Tate (Main Board appointed Directors) have now also reached the end of their three year appointment; 3. agree that, as the independent Directors have indicated that they wish to continue as Directors, they be appointed for a further 3 year term; and 4. (re)appoint 3 main Board Directors to the High Life Highland (Trading). |

Designation: Company Secretary

Date: 16 February 2019