

<b>Committee</b>	Board of Management		
<b>Agenda Item</b>	16		
<b>Date paper prepared</b>	16/06/2023	<b>Date of committee meeting</b>	28/06/2023
<b>Subject</b>	Board Extensions Policy and Procedure		
<b>Author</b>	Matt Sierocinski King (Board Secretary)		
<b>Action requested</b>	To Approve		
<b>Purpose of the paper</b>	The purpose of this paper is to set out how extensions of terms of office to the Board of Management for Directors, are to be managed. Such a Policy and Procedure is a requirement of the Code of Good Governance.		
<b>Brief summary of the paper</b>	<p>The paper details how Shetland UHI reviews and sets out the procedure to follow to offer extensions to the terms of office for Directors.</p> <p>Clause 2 details the procedure itself, while Clause 3, Clause 4, and Clause 5, detail the provisions for each type of Director. The term lengths of each Director type are as follows:</p> <ul style="list-style-type: none"> <li>- Student Director: 1 year (Limited to 3 consecutive years)</li> <li>- Staff Director: 2 years (Limited to 4 consecutive years)</li> <li>- Independent Directors: 4 years (Limited to 8 consecutive years)*</li> </ul> <p>*Additionally, one third of Independent Directors can vacate their role at every second Annual General Meeting if they have served in their role longer than two-thirds of other Independent Directors.</p> <p>By the Articles, the calculation of 'one year' is:</p> <ul style="list-style-type: none"> <li>- the time between the conclusion of Annual General Meetings, or</li> <li>- at least 6 months between a Directors initial appointment to the Board of Management and the conclusion of their first Annual General Meeting</li> </ul> <p>Due to the timing of Annual General Meetings in 2023, and the number of Directors who were Transition Board Directors, additional clauses have been included, to guide the re-appointment process for such Directors. Transition Board Directors were automatically appointed to the Board of Management on vesting date (1<sup>st</sup> August 2021).</p> <p>With regards to existing Directors, unless they request an extension, and such an extension is approved, each Director will automatically vacate the Board of Management following the Annual General Meeting of:</p>		

	<p><b>AGM December 2023:</b> Graeme Howell**, Karen Hall**, Lauren Doughton**, John Goodlad**, Davie Sandison**, Maria Bell**, Sue Beer, Simon Clarke, Angela Sutherland.</p> <p><b>AGM December 2025:</b> Claire Christey.</p> <p><b>AGM December 2027:</b> Valerie Nicolson, Mason Robbins.</p> <p>**These Directors are all equally the longest serving of Independent Directors, but only a third may vacate their role at this AGM. Any such Director whose term of office was extended, would be extended to the close of the AGM of 2025. The same process would repeat in 2025, and 2027, but not in 2029.</p> <p>Clause 5.4.3 details the process should more than one Independent Director wish to vacate their role at the AGM of December 2023, Clause 5.4.4 details how such a transition between their departure and their successor’s arrival can be managed in a manner that does not leave the Board of Management without enough Independent Directors for the Board of Management to function.</p> <p>For clarity, the start dates on the Transition Board for each such Director were:</p> <ul style="list-style-type: none"> <li>- Graeme Howell: 15<sup>th</sup> July 2020</li> <li>- Karen Hall: 15<sup>th</sup> July 2020</li> <li>- Lauren Doughton: 15<sup>th</sup> July 2020</li> <li>- John Goodlad: 15<sup>th</sup> July 2020</li> <li>- Davie Sandison: 9<sup>th</sup> September 2020</li> <li>- Maria Bell: 17<sup>th</sup> February 2021</li> </ul> <p>Existing Staff Directors began their role on 20<sup>th</sup> October 2021. The two years of their current term expires after the AGM of December 2023. Both Staff Directors are eligible for re-election and re-appointment, for a second term that would end after the AGM of December 2025.</p> <p>The existing Student Director began their role on 29<sup>th</sup> March 2023. Their first year expires at the close of the AGM of December 2023. They can be reappointed to serve ending after the AGM of December 2024, and again for a final term ending after the AGM of December 2025.</p>
<b>Consultation</b>	Board of Management at this meeting
<b>Resource implications</b>	Board Secretarial Time

<b>Risk implications</b>	Risk 6 – Governance. This Policy and Procedure is a requirement of the Code of Good Governance. However, Independent Directors who were Transition Board members, also need to be mindful of the Clauses that affect them directly, and how collectively they can phase when they vacate the Board of Management from 2023 to 2029, to avoid a departure of such Directors en-masse.
<b>Link with strategy</b>	Sustainability.
<a href="#">Equality, Diversity and Inclusion</a>	N/A
<b>Island Community Impact</b>	N/A
<b>Paper status</b>	<input checked="" type="checkbox"/> <b>Open</b> – The paper may be circulated to non-members of the committee and published online without restriction. <input type="checkbox"/> <b>Restricted</b> – The paper must not be circulated to non-members or published online until after the committee meeting. <input type="checkbox"/> <b>Confidential</b> - The paper must not be circulated beyond the committee members and should not be published online. [Please note papers may still be subject to Freedom of Information requests – see below].
<a href="#">Freedom of information</a>	Open If closed/ withheld, select date this will become 'open': Enter a date.