

Board Diversity Succession Plan Report

1. INTRODUCTION

1.1 The Equalities Forum at their last meeting in October 2016, received an update on the progress with the Board Diversity Succession Plan. Under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2016¹, listed public bodies are required to produce a Board Diversity Succession Plan to be published within an equalities mainstreaming report. The SEStran Board has agreed certain actions to increase Board Diversity and also noted the future provision of current Board Diversity information prior to April 2017 by Scottish Ministers, who by the same regulations are required to provide public bodies with survey information on board diversity.

2. DIVERSITY SUCCESSION PLAN FOR SESTRAN

2.1 The SEStran Board agreed the draft Board Diversity Succession Plan at their December meeting. A copy of the draft is attached and this will be submitted as part of the finalised Equality Outcomes 2017-2021 in April 2017.

2.2 At present, the 2016 Regulations and specifically Regulation 6A require Scottish Ministers to gather information on the relevant protected characteristics of board members of a listed authority, and to provide this information to the listed authority in question. At present, SEStran has not received this information, other than an update in November 2016 and at time of writing we don't think the survey has been issued to Board members. SEStran, subsequent to the survey, have until 30 April 2016 to include in their mainstreaming report details of:

- the number of men and of women who have been board members of the authority during the period covered by the report;
- how the information provided about the relevant protected characteristics of its board members has been used so far; and
- how the authority proposes to use the information provided in the future to promote greater diversity of board membership.

2.3 At the Board meeting held on the 23rd September 2016, it was agreed to appoint observers to the Board. The aim of this is to provide wider opportunities to suitable representatives to gain experience of attending meetings with the intention that they are able to then go on and gain a seat on a Board. The Equalities Forum at their last meeting agreed to nominate Gordon Mungall to the observer opportunity, as a recognition of initial positive action on this issue. It is also suggested that SEStran continue discussions with Changing the Chemistry in regards to appointing an observer. Once the results of the Board survey have been received, it is suggested a further report is brought back to the Equalities & HealthCare forum with a view to contacting other similar organisations to progress areas of board under-representation.

¹ <http://www.gov.scot/Resource/0049/00497889.pdf>

3. CONCLUSION

3.1 As outlined above, the following points would form the basis of the SEStran Board Diversity Succession Plan:

- Communicate with constituent local authorities that we would encourage them to appoint Board members in line with the Equality Act duties for Public Bodies
- Appoint observers to the Board to provide development opportunities
- Appoint a diverse range of Non-Councillor Board members in 2018

3.2 Through these actions SEStran hope to promote inclusion and to fulfil our duties under the Equality Act and associated regulations. SEStran recognises that a more diverse Board would be beneficial to the organisation and are fully committed to developing a successful Diversity Succession Plan.

4. RECOMMENDATION

4.1 Forum members are invited to:

1. Comment on the proposals for the Board Diversity Succession Plan;
2. Note the update provided on the survey of Board members; and
3. Comment upon the proposed Board Observer role description document.

Emily Whitters
Business Support Officer
20th January 2017

George Eckton
Partnership Director

Appendix 1 – Draft Board Diversity Report

Appendix 2 – Draft Board Observer role description

SEStran Board Diversity Succession Plan

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INTRODUCTION

Under the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2016 listed public bodies are required to produce a Board Diversity Succession Plan in April 2017. This document aims to outline the current make-up of the SEStran Partnership Board and to outline ways in which SEStran will commit to making progress on improving the diversity of our Board. SEStran recognises that increasing diversity on the Board will encourage new and innovative thinking and maximise use of talent, leading to better decision making and governance.

The Scottish Government and a number of other parties at the Scottish Parliament have a commitment to greater diversity and equality of representation on public boards. The 2015 “On Board” guidance issued to Board Members of Public Bodies in Scotland recognises this commitment to redressing the current imbalance of representation with gender parity outlined as a particular area of focus. The guidance outlines that Public Boards themselves should give consideration to establishing a committee to consider matters such as planning for succession and Board performance as this should lead to more diversity at Board level. The guidance outlines a clear aim of 50:50 gender balance by 2020.

The “On Board” publication outlines an expectation that all public bodies will champion diversity and mainstream equal opportunities in their work. Public Boards are also challenged to give specific consideration to the impact on equality of opportunity when developing policies and making decisions. Having greater diversity of representation on the Board when making decisions is one clear mechanism for driving greater value in this regard and there is a growing level of evidence that “groupthink” or having a non-diverse Board can be a risk to an organisation and that having a more diverse Board can lead to more nuanced discussions and more informed decisions.

It is recognised by Scottish Government that a Board made up of people who are “visibly diverse” will not necessarily be immune to “Groupthink”. Visible diversity is simply an indicator but no guarantee that the Board’s members have the diversity of skills, knowledge, experience and perspectives needed to make it effective. However, the Scottish Government acknowledge that there is currently an insufficient visible and invisible diversity on the Boards of Scotland’s public bodies, which can be evidenced in relation to factors ranging from gender to black and minority ethnic (BME) status, employment sectors and income.

BOARD MAKEUP

SEStran has 20 Board members drawn from constituent local authorities and 9 non-Councillor members. The number of Councillor Members has been allocated on the basis of relative population within the partnership area. Non-Councillor Members are appointed to the Board based on Scottish Government guidance on membership for RTPs which states that the following principles should govern the selection and appointment of members, albeit the Gender Balance on Public Boards may alter these requirements:

- Transparency
- Appointment on merit
- Achieving a balance among the Non-Councillor membership

The current diversity of the Partnership Board has been surveyed by Scottish Government and data will be relayed back to SEStran on a confidential basis in December 2016. SEStran will publish the current Gender Balance of the Partnership Board.

COUNCILLOR MEMBERS

As stated above, the majority of the SEStran Partnership Board is made up of Councillor Members from constituent local authorities. They are appointed solely by local authorities, a process over which SEStran has no input. To address this, the SEStran Chair will write to the constituent local authorities ahead of the May 2017 elections to advise them of the Board's diversity in 2016/17 and ask them to assist SEStran in achieving our objectives of improving the Partnership Board diversity. However, SEStran recognises that election is a democratic process which is undertaken by each local authority's committee services department.

NON-COUNCILLOR MEMBERS

The current term for SEStran Non-Councillor Members finishes in April 2018. Under the Regional Transport Partnership (RTP) guidance for membership, produced by the Scottish Government, RTP's appoint their own Non-Councillor Members. SEStran aim to produce a gender balance for non-executive appointments on the Board, in line with the final requirements of Scottish Government Gender Balance on Public Boards Bill, and will consult with a range of equalities organisations to ensure that the application process is not exclusionary. SEStran will aim to publicise Non-Councillor Board vacancies through a wide range of sources including equality organisations and social media to encourage a wide range of good candidates with a diverse range of skills and experience. The RTP membership guidance states that non-councillor members should bring a range of benefits to the work of the RTP such as:

- Experience and knowledge from working at board/strategic level in business, the public sector and the voluntary sector
- Regional rather than local perspective

- Political and media awareness
- Transport knowledge
- Financial awareness
- Communication skills

Further, the guidance states that “lay members” will bring a different perspective to the Board.

OBSERVERS

The RTP guidance on membership states that RTP’s can appoint observers, who as advisers can make a valuable contribution. This provision would allow SEStran to involve people on the Board who were not appointed as Non-Councillor Members but who would have useful input to make. The SEStran Board agreed in September 2016 to appoint 4-5 observers to the Board. These observers would not have a vote on the Board and would not be expected to participate in all discussions or all meetings. Officers have progressed this and will now appoint Observers from Changing the Chemistry and the SEStran Equalities Forum.

SEStran anticipate appointing these observers in early 2017. The aim of this is to provide wider opportunities to suitable representatives to gain experience of attending meetings with the intention that they are able to then go on and gain a seat on a Board. The appointment of observers will also benefit the work of the SEStran Partnership Board by engaging with those who may have new ideas and who may bring an alternative viewpoint to the Board. SEStran will work with a range of equality organisations to publicise and appoint these observers.

CONCLUSION

SEStran therefore aim to work towards a more diverse Board through the following actions:

- Communicate with constituent local authorities to encourage them to appoint a greater diversity of Board members
- Appoint a diverse range of Non-Councillor Board members in 2018
- Continue to offer Board Observer opportunities in partnership with Groups who represent those with Protected Characteristics such as Changing the Chemistry

SESTRAN BOARD OBSERVER – Role Description

This is not an appointment, it is a developmental opportunity and positive action that SEStran are seeking to take as part of their Public Sector Equality Duties to promote opportunity and increased diversity of representation in the governance of public bodies.

The Role

The Role of a Board Observer is someone who attends SEStran Board meetings but is not an official member of the Partnership Board. The statutory regulations which provide the detail on membership of Regional Transport Partnerships set out the role of observers.²

SEStran aims to provide an environment where observers feel comfortable in listening, in their own time asking questions, and ultimately providing counsel and advice from their own perspective. Observers are not expected to vote on anything, albeit the Board decisions are predominantly based on consensus decisions and voting is rare. We would hope as well as providing a learning opportunity to the Observer, we can benefit as much from their influence and experience when they feel in their development journey they are ready to contribute. We hope we can benefit from you being able to, in time:

- bring different points of view to a discussion; and/or
- give insight into your transport users' needs and experience; and/or
- make new contacts in the communities of place or characteristic; and/or
- think of new ways of doing things.

The selected individual(s) will be invited, on a pre-arranged and closely supported and supervised way, to sit in on 3-4 Board meetings (and, if possible, a board committee twice) to observe first-hand how Boards work. These will be held in fully accessible locations and generally between the hours of 10am – 2pm weekdays.

This opportunity seeks to build the understanding, confidence and capacity of individuals to fill appropriate Board member posts in the future.

The position will be held for a maximum of 12 months.

Background

As outlined in SEStran's emerging Board Diversity Succession Plan as required by the Public Sector Equality Duty Amendment Regulations 2016³, the Board of SEStran have agreed to the appointment of Board Observers to offer a clear and tangible developmental response to the issue of promoting Board Diversity for SEStran within the wider context of our approach to our Equality Duties and

² See Schedule 2 of The Regional Transport Partnerships (Establishment, Constitution and Membership) (Scotland) Order 2005, and in particular [paragraph 1](#)

³ <http://www.gov.scot/Resource/0049/00497889.pdf>

published Equality Outcomes 2017-2021, particularly Outcome 1: promoting a diverse and representative organisation.

The guidance on membership of Regional Transport Partnerships⁴ states that RTP's can appoint observers, who as advisers can make a valuable contribution to overall diversity of governance, irrespective of technical expertise or knowledge of transport systems. This provision would allow SEStran to involve people on the Board who were not appointed as Non-Councillor Members but who would have useful input to make. The SEStran Board agreed in September 2016 to appoint 4-5 observers to the Board. These observers would not have a vote on the Board and would not be expected to participate in all discussions or all meetings.

The aim of this developmental opportunity is to provide wider opportunities to those interested in furthering their involvement in the work of the Partnership to gain experience of attending meetings with the intention that they are able to then go on and gain a seat on a Board.

The appointment of observers will also benefit the work of the SEStran Partnership Board by engaging with those who may have new ideas and who may bring an alternative viewpoint to the Board. SEStran will work with a range of equality organisations to publicise and appoint these observers

Objective:

The aim is twofold:

1. To give prospective board members a practical insight into how a Board operates and a good understanding of what the expectations are of a Member of a Board; and
2. To deliver outcomes concerning the outcomes required by SEStran's Board Diversity Succession Plan.

The role of Board Observer is targeted at individuals who consider that they have the skills, attributes and potential to be a Member of a Board, but have no experience at Board level. We would hope even without previous experience, Board Observers could help SEStran in collectively delivering the Principles of Good Corporate Governance through their involvement:

- Focus on the organisation's purpose and on outcomes for citizens and service users
- Perform effectively in clearly defined functions
- Promote values for the whole organisation and demonstrate the values of good governance through behaviour
- Take informed, transparent decisions and manage risk
- Develop the capacity and capability of the governing body to be effective
- Engage stakeholders and make accountability real.

⁴ <http://www.gov.scot/Resource/Doc/47121/0020877.pdf>

Further background information on corporate governance processes and principles is available in the On Board publication.⁵

The Process:

The Board will ensure that new members receive induction training and that effective arrangements are in place to maintain and enhance the skills and motivation of all Board observers over their period of involvement with SEStran.

Chairperson or Vice-chairperson (and/or nominated Board Member/Partnership Director to:-

- provide information about the company/organisation, the Board, the RTS and current issues faced;
 - explain how the Board operates, composition, committee structure etc;
 - explain how the observer should or should not interact at meetings (generally it is recommended that the individual should not be expected to contribute as that relieves some of the pressure they may feel otherwise);
 - offer an opportunity to review board papers in advance of each meeting and after each meeting discuss the meeting and its outcomes;
 - allocate the individual to a relevant board sub-committee.
- Confidentiality agreement to be signed by both parties;
 - Any potential conflict of interest will need to be avoided or at a minimum declared;
 - Observers will be expected to sign an undertaking to follow the model Code of Conduct for members of Devolved Public Bodies.
 - Individual to be involved for at least a full cycle of board meetings (usually one year) as an observer;
 - Chairperson (or nominated Board member) and individual to have follow up discussion about the experience of attending the meeting and provide some mentoring.

Remuneration

No payment for Board Observer

Reasonable expenses will be met in accordance with SEStran's Business Travel Policy.

⁵ <http://www.gov.scot/Resource/0047/00475242.pdf>

Potential assessment for this appointment

Subject to interest in the role, there may be an assessment process. If this takes place, the process is as follows. A written application and/or CV should be submitted which will then be assessed by the panel. Applicants who meet the requirements will be invited to attend an interview/discussion. This will involve a discussion, along with some competency based questions.

Please contact Emily Whitters, emily.whitters@sestran.gov.uk, for further details of how to apply.

Equality and Diversity

Accessibility to public appointments is a fundamental requirement and the public appointments process promotes, demonstrates and upholds equality of opportunity and treatment to all applicants.

SESTRAN will always give consideration to disability-related reasonable adjustments that an applicant might request to enable them to meet the requirements of the development opportunity and participate fully in the selection process.

SESTRAN is committed to appointment on merit, diversity and equality for public appointments. However, this opportunity is positive action under the Equality Act 2010 and is not employment, in the view of SESTRAN this is the implementation of positive action measures to overcome disadvantage, meet different needs and/or increase participation of people from a protected characteristics, as identified in our Board Diversity Succession Plan 2017 and our Equality Outcomes 2017-2021.

The Act does not limit the action that could be taken, provided it satisfies the statutory conditions and is a proportionate way of achieving the aim of overcoming a genuine disadvantage.