

Date: 7 January 2020

Subject: TfGM Executive Board – Recruitment Outcomes

Report of: Andy Burnham, Mayor of Greater Manchester, Portfolio Lead for Transport

PURPOSE OF REPORT

At its meeting on the 31 May 2019, the Greater Manchester Combined Authority (GMCA) delegated responsibility to Eamonn Boylan to undertake the proposed recruitment process for making a recommendation for the appointment of new Non-Executive Directors of Transport for Greater Manchester (TfGM). The purpose of this report is to confirm the outcome of the recruitment process, whereby two candidates are recommended for appointment.

RECOMMENDATIONS:

The GMCA is recommended to:

1. Approve the appointment of Jo Kaye and Tracey Matthews as Non-Executive Directors of TfGM; and
2. Delegate authority to the Chief Executive Office, GMCA & TfGM to formalise the terms of the appointments.

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BACKGROUND PAPERS:

TRACKING/PROCESS	
Does this report relate to a Key Decision, as set out in the GMCA Constitution or in the process agreed by the AGMA Executive Board	No
EXEMPTION FROM CALL IN	
Are there any aspects in this report which means it should be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?	No

1 INTRODUCTION

- 1.1 The GMCA, in consultation with the Chief Executive of GMCA & TfGM, is responsible for the appointment of members to TfGM's Executive Board under Section 9(2) of the Transport Act 1968.
- 1.2 TfGM's current Executive Board comprises six members, who are:
- the joint GMCA/TfGM Chief Executive (as Director General);
 - the Finance and Corporate Services Director;
 - the Chief Operating Officer;
 - the GMCA Treasurer;
 - two Independent Non-Executive Directors (one contract due to expire in June 2020 and one in June 2021).
- 1.3 In the spring of 2019 one Non-Executive advisor retired from the Board. At its meeting on 31 May 2019, the GMCA approved proposals to recruit a new Non-Executive Director to replace the retired Advisor. Following the conclusion of the recruitment process, this report seeks approval to appoint two successful candidates. The second candidate will in due course replace Edward Pysden who is likely to retire in June 2020.

2 ROLE OF NON-EXECUTIVE DIRECTOR

- 2.1 The TfGM Executive Board as a whole is collectively responsible for the success of TfGM. The Board's role is to:
- contribute to strategic planning and structured decision-making;
 - set challenging goals and objectives for the organisation;
 - monitor the performance of the Executive in meeting its strategic objectives;
 - offer constructive criticism to the Executive Directors.
- 2.2 All members of the Executive Board must act in good faith and promote the success of TfGM. In doing so, the Non-Executive Directors must, when performing their role, have regard (among other matters) to: the likely consequences of any decision in the long term; the impact of TfGM's operations on the community and the environment; and the desirability of TfGM maintaining a reputation for high standards of business conduct. The Non-Executive Directors must also satisfy themselves that TfGM has appropriate financial reporting and risk management procedures in place.

- 2.3 The Non-Executive Directors are expected to spend at least 30 days a year in the performance of their duties which shall include being a member of and attending relevant Board committees, including the Audit and Risk Assurance Committee; Remuneration Committee, in addition to attending the monthly Executive Board meetings.

3 CORPORATE GOVERNANCE

- 3.1 The role of a Non-Executive Director of TfGM is a public office and, as such, is subject to the “Seven Principles of Public Life” published by the Nolan Committee in 1995.
- 3.2 The governance arrangements for TfGM’s Executive Board reflects best practice guidance for corporate governance, adapted for TfGM’s specific circumstances, including the UK Code of Governance published by the Financial Report Council (which is intended for limited companies) and the second report of the Nolan Committee published in 1996. For example, the use of fixed term appointments for Non-Executive Directors, the need for rigorous scrutiny for any proposals to extend any appointment beyond two terms and the composition of the Board (with 50% of its members being Non-Executive Directors) all reflect the recommendations in the guidance.

4 SELECTION PROCESS

- 4.1 The process to recruit the Non-Executive Director was conducted on merit, against objective criteria based on an open recruitment process with the support of an executive search agency. The post was advertised on a number of websites and this, together with targeted search activity, was used to identify an initial long list of individuals. The longlisted candidates were invited for a preliminary interview by the independent search agency to test their skills and experience against the role profile, following which a shortlist of candidates was recommended to TfGM.
- 4.2 In accordance with our Inclusion and Diversity Strategy, the executive search agency were tasked with attracting a diverse pool of candidates for this campaign.
- 4.3 A summary of the profile of the candidate pool is detailed in the table below:

Recruitment Stage	Male candidates	Female candidates	Black and Minority Ethnic candidates
Application	416	125	23

Interviewed by the recruitment agency	9	9	3
Interviewed by TfGM	1	4	0
Proposed appointments	0	2	0

- 4.4 Personality profiling was completed with the candidates which explored their main personality strengths and weaknesses which would shape their leadership style and approach. This can then be compared against the current Board. This was explored further during the assessment.
- 4.5 The shortlisted candidates were interviewed by a panel made up of TfGM's Chief Executive, TfGM's Non-Executive Chair of its Audit and Risk Assurance Committee and the GMCA Solicitor and Monitoring Officer. Following the interview process, Jo Kaye and Tracey Matthews were identified as the best candidates for the roles.
- 4.6 Jo Kaye was employed by Network Rail from 1995 in a variety of senior operational roles and held the position of Managing Director, System Operator, from October 2015 until her retirement in December 2019. She has extensive experience of the rail sector and a strong appreciation of transport operations and has represented Network Rail as a Board Member with the Rail Delivery Group.
- 4.7 Tracey Matthews is a highly experienced operational leader with strong programme leadership expertise. She was previously employed by Scottish Water Solutions and United Utilities. She is currently the Independent chair of the RIIO-2 electricity price review Enhanced Engagement group for Scottish and Southern Electricity Transmission and Distribution and holds non-exec roles with Energy and Utility Skills Group Limited and AGT Limited. Her previous Non-Executive Director roles included the Office of Rail and Road (Regulation); Highways England; and UK Coal Limited.

5 TERM OF APPOINTMENT

- 5.1 Subject to the approval of the GMCA it is proposed that Jo Kaye and Tracey Matthews will be appointed for an initial term of 3 years commencing on 20 January 2020 and ending on 31 January 2023. On expiry of the initial term, the appointment may, subject to approval of GMCA, be renewed for a further period of three years to expire on 31 January 2026.

6 RECOMMENDATIONS

- 6.1 The recommendations are set out at the beginning of this report.

Eamonn Boylan

Chief Executive Officer, GMCA & TfGM