

# Appendix 3 - West Midlands Rail Ltd Governance Evolution Role Profile of Vice Chairs



## Vice-Chair role profile

29 July 2020

*Discussion document*

*Strictly private and confidential*

### Vice-Chair role profile

#### Background

The principles underpinning the governance of WMRE were developed in 2015, before the emergence of the Mayoral Combined Authority.

Proposals to evolve and strengthen the governance of WMRE have been developed and principles that found favour during discussions included a stronger role for Vice-Chairs.

There shall be two Vice-Chairs to support the Chair, who shall each be Directors (one appointed by the Shire / Unitary partners, and one appointed by the Metropolitan partners).

#### Role of Vice-Chair

The Vice-Chairs are Directors of WMRE (although the Mayor is not) and will be required to comply with the statutory duties as in the Directors' duties set out below. This means that Vice-Chairs as Directors are required to act in the best interests of WMRE and provide oversight of the Chair's actions on behalf of WMRE.

The Vice-Chairs' role should include:

- planning and conducting meetings of the WMRE Board of Directors effectively;
- determining of the order of the agenda at meetings of the WMRE Board of Directors;
- taking responsibility for the WMRE Board of Directors' composition and development;
- ensuring that the WMRE Board of Directors receives proper, accurate, timely and clear information;
- ensuring the WMRE Board of Directors all remain engaged in and contribute to WMRE's work;
- ensuring the WMRE Board of Directors focuses on its key tasks;
- engaging the WMRE Board of Directors in assessing and improving its performance;
- overseeing the induction and development of directors to the WMRE Board of Directors; and
- supporting the work of the Executive Director.<sup>1</sup>

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<sup>1</sup> AG Note: This is an indicative list for discussion only, not a legal requirement.



Where the Chair is absent, a Vice-Chair will chair the general meetings and board meetings of WMRE.

The Vice-Chairs' role should also include being responsible for supporting the Chair in:

- providing leadership to the WMRE Board of Directors;
- keeping track of the contribution of individual directors and ensuring that they are all involved in discussions and decision-making; and
- directing discussions towards the emergence of a consensus view and sum up discussions so that the WMRE Board of Directors understands what has been agreed.<sup>2</sup>

### Directors' duties

The Vice-Chairs should be formally appointed Directors of WMRE and as Directors the Vice-Chairs are required to comply with the duties of company directors set out in the Companies Act 2006.

Directors must always act in accordance with the statutory duties imposed on them by the Companies Act. These duties require the Vice-Chairs:

- to act within WMRE's powers, as set out in WMRE's Articles of Association;
- to promote the success of WMRE;
- to exercise independent judgment;
- to exercise reasonable care, skill and diligence;
- to avoid conflicts of interest;
- not to accept benefits from third parties; and
- to declare an interest in a proposed transaction or arrangement.

Delegating responsibilities to another individual does not mean that Directors are no longer accountable for their statutory duties and the Directors should still supervise the delegated acts to ensure they are not in breach of their statutory duties.

This means that Directors should supervise any matters which have been delegated and ensure the scope of any delegation is carefully defined, as well as carrying out ongoing supervision of the Mayor's role.

### Leaving the role of Vice-Chair

A Vice-Chair who ceases to be a Director will automatically cease to be Vice-Chair. A Vice-Chair can resign as Vice-Chair whilst remaining a Director and this would not of itself affect their role as Director.

<sup>2</sup> AG Note: This is an indicative list for discussion only, not a legal requirement.

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The appointment of a Vice-Chair can be terminated at any time by the relevant WMRE Directors, provided that Vice-Chair is replaced.