

Meeting Title	Council of Governors		
Date	15 April 2021	Agenda item	CGo.4.21.16

Amendment to Chair / NED / Associate NED Appointment Process

Presented by	Laura Parsons, Associate Director of Corporate Governance/Board Secretary		
Author	Laura Parsons, Associate Director of Corporate Governance/Board Secretary		
Governance responsibility	Council of Governors		
Purpose of the paper	To propose an amendment to the Chair/NED/Associate NED appointment process, as recommended by the Governors' Nomination & Remuneration Committee (NRC).		
Action required	For approval		
Previously discussed at/informed by	Governors' NRC – 1 December 2020 & 9 March 2021		
Previously approved at:	Committee/Group	Date	
	N/A		

Background

At the NRC held 1 December 2020 the Committee agreed that an amendment was required to the Chair / NED / Associate NED appointment process to provide clarity with regard to the following sentence:

If the recommendation from the Chair / Senior Independent Director does not support reappointment then an open appointments process will be instigated.

The NRC queried why an open appointments process would be instigated in the above circumstance, without any referral to the NRC.

Further to this discussion, amendments were proposed and discussed at the NRC meeting on 9 March 2021. It was agreed that further amendments were required to clarify that **all** recommendations regarding reappointments should be referred to the NRC and then to the Council of Governors for a final decision, whether the Chair/SID and NRC are in agreement or not.

Further amendments were made and were circulated to the NRC members via e-mail. No further comments were received.

The amended process, including tracked changes is attached at Appendix 1. For ease of reading a 'clean' version, without tracked changes, is attached at Appendix 2.

Recommendation/s

The Council of Governors is asked to approve the proposed amendments to the Chair / NED / Associate NED appointment process, as outlined in Appendix 1.

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Appendix 1

Process for the appointment of a Chair / Non-Executive Director / Associate Non-Executive Director

The Nominations and Remuneration Committee (NRC) will meet prior to the end of the term of office of the Chair / Non-Executive Director / Associate Non-Executive Director in sufficient time to enable an appointment / reappointment to be made.

Where a Chair / Non-Executive Director / Associate Non-Executive Director resigns mid-term, or is removed, then a meeting of the NRC (as defined within the NRC Terms of Reference) will be convened to confirm the process to be undertaken.

Actions

1. Review of the structure, size and composition of the Board of Directors

1.1 The Nominations and Remuneration Committee will, as part of its remit, regularly review the structure, size and composition of the Board of Directors and make recommendations for changes where appropriate.

1.2 With regard to each appointment / reappointment, views will be sought from the Board of Directors on the qualifications, skills and experience required for each position.

2. The process regarding reappointments

2.1 The Chair / Senior Independent Director should present to the NRC the outcomes from the appraisal of the Non-Executive Director / Associate Non-Executive Director / Chair in question and should advise the NRC if the person is seeking a further term (and that they are eligible). The Chair / Senior Independent Director would then be expected to confirm, following a formal performance evaluation, that;

The performance of the individual proposed for reappointment continues to be effective and the individual demonstrates commitment to the role, *or not*, and provide a recommendation with regard to their reappointment.

2.2 If the ~~recommendation from the~~ Chair / Senior Independent Director ~~supports-recommends~~ a reappointment and that is then ~~supported-agreed~~ by the NRC, then a recommendation to the full Council of Governors should be made for reappointment along with a recommendation regarding the Terms and Conditions.

2.3 If the Chair / Senior Independent Director does not recommend reappointment and that is then agreed by the NRC, then an open appointments process should be recommended to the full Council of Governors.

2.43 If the ~~recommendation from the~~ Chair / Senior Independent Director ~~supports a reappointment and that is not supported by~~ and the NRC ~~cannot come to an agreement with regard to the reappointment~~, then the full Council of Governors will be asked to consider the views of the Chair / Senior Independent Director and the NRC and decide whether to make a reappointment or instigate an open appointments process. ~~then-if~~ an open appointments process ~~will be~~ instigated ~~and then~~ the

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person in question will be at liberty to take part in the ~~open appointments~~ process.

~~If the recommendation from the Chair / Senior Independent Director does not support reappointment then an open appointments process will be instigated.~~

3. The process regarding new appointments

3.1 The NRC may consider procuring the services of an independent recruitment agency to assist with the recruitment process.

3.2 Where a conflict of interest is declared by a member of the NRC they are to withdraw from the appointment process.

3.3 The NRC will, with regard to each appointment;

3.3.1 Confirm the job description and person specification

3.3.2 Confirm the Terms and Conditions which will form the Chair / Non-Executive Directors' / Associate Non-Executive Directors' contract for services with the NHS Foundation Trust.

3.3.3 Confirm the associated recruitment campaign

3.3.4 Carry out shortlisting in line with the person specification and involving all members of the NRC.

3.3.5 Confirm the interview process and panel membership ensuring the panel is comprised of a majority of Governors and conduct interviews.

All panel members are required to have completed learning / development sessions with regard to 'equality and diversity' and 'interviewing and recruitment'.

4. Decision making process

4.1 A recommendation for approval will be presented to the Council of Governors from the NRC regarding reappointment / appointment, or not.

4.2 Where a reappointment / appointment is recommended for approval the NRC will also recommend for approval the associated Terms and Conditions.

4.2 Where no recommendation is forthcoming the process in relation to new appointments will begin again.

~~July 2020~~ April 2021

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Appendix 2

Process for the appointment of a Chair / Non-Executive Director / Associate Non-Executive Director

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Where a Chair / Non-Executive Director / Associate Non-Executive Director resigns mid-term, or is removed, then a meeting of the NRC (as defined within the NRC Terms of Reference) will be convened to confirm the process to be undertaken.

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2.1 The Chair / Senior Independent Director should present to the NRC the outcomes from the appraisal of the Non-Executive Director / Associate Non-Executive Director / Chair in question and should advise the NRC if the person is seeking a further term (and that they are eligible). The Chair / Senior Independent Director would then be expected to confirm, following a formal performance evaluation, that;

The performance of the individual proposed for reappointment continues to be effective and the individual demonstrates commitment to the role, *or not*, and provide a recommendation with regard to their reappointment.

2.2 If the Chair / Senior Independent Director recommends a reappointment and that is then agreed by the NRC, then a recommendation to the full Council of Governors should be made for reappointment along with a recommendation regarding the Terms and Conditions.

2.3 If the Chair / Senior Independent Director does not recommend reappointment and that is then agreed by the NRC, then an open appointments process should be recommended to the full Council of Governors.

2.4 If the Chair / Senior Independent Director and the NRC cannot come to an agreement with regard to the reappointment, then the full Council of Governors will be asked to consider the views of the Chair / Senior Independent Director and the NRC and decide whether to make a reappointment or instigate an open appointments process. If an open appointments process is instigated then the person in question will be at liberty to take part in the process.

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April 2021