

Meeting Title	Council of Governors		
Date	20 October 2022	Agenda item	CGo.10.22.13

Outcome of the Non-Executive Director (NED) Appraisals Process 2022

Presented by	Dr Maxwell Mclean, Chairperson		
Author	Jacqui Maurice, Head of Corporate Governance		
Governance responsibility	Council of Governors		
Purpose of the paper	To provide a report to the Council on the completion of the NED appraisals in line with the process agreed with the council of governors and for the Council to determine if it is assured by the report.		
Action required	For decision		
Previously discussed at/informed by	Governors NRC held 10 October 2022		
Previously approved at:	Committee/Group	Date	

Background

The NED Appraisal Process for 2022 was approved by the Council of Governors on 28 April 2022.

The Non-Executive Director appraisal process is attached in full at Appendix A.

In line with the process agreed Non-Executive Director appraisals for seven NEDs have been completed, with one outstanding. The final appraisal will be undertaken shortly and a verbal update will be provided at the meeting to confirm the latest position. *However all appraisals could not take place during Q2 due to scheduling difficulties and as such two appraisals took place in Q3.*

Feedback from the Executive Directors and Governors has been received and used to inform each Non-Executive Director's appraisal.

- The NED areas of impact have been identified
- SMART objectives for the non-executive directors have been finalised and agreed.
- Personal development plans have been confirmed.

Prior to appraisal each Non-Executive Director has been provided with a copy of the appraisals pro-forma and objectives pro-forma to support them in preparing for their appraisal.

All Non-Executive Directors have completed their annual 'fit and proper persons' self-declarations.

The Council is asked to note the report attached on the NED appraisals and to consider if it is assured that the process has been undertaken in line with that agreed with the Council.

Recommendation/s

The Council is asked to confirm it is assured that the process has been undertaken in line with

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that agreed with the Council (to date).

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Non-Executive Director (NED) Appraisals 2022

1. Introduction

The council of governors has a statutory responsibility and a pivotal part to play in ensuring that the performance of the non-executives is effective and that they are making an important contribution to the leadership of the Trust.

The appraisal process is designed to:

- a. Ensure good governance standards are adhered to and encourage personal development.
- b. Evaluate individual performance and contributions.
- c. Set clear expectations.
- d. Form an integral part of improved induction, training and development support for NEDs.
- e. Provide reassurance to the council of governors that the performance of each NED is the subject of an annual appraisal.

At the council of governors meeting held 28 April 2022 the governors approved the appraisal process to be used for the NEDs.

2. Appraisals and 'fit and proper persons' (FPP) requirements

All NEDs have been provided with a copy of the appraisals pro-forma and objectives pro-forma to support them in considering and preparing for their appraisal. Appraisals have been undertaken with the NEDs listed in the table below on the dates specified.

Non-Executive Director	Date of Appraisal
Julie Lawreniuk	23 September
Jon Prashar	26 September
Altaf Sadique	26 September
Karen Walker	26 September
Janet Hirst	27 September
Sughra Nazir	27 September
Mohammed Hussain	12 October
Barrie Senior	TBC

All NEDs have completed their annual self-declaration with regard to the FPP requirements.

3. Feedback received that has informed each NED appraisal

- The Chief Executive has provided feedback following consultation with the Executive Directors

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- 360 degree feedback has been provided by NEDs in respect of their colleagues. This was provided via questionnaire. The results were collated and anonymised.
- Governors were invited to provide feedback via a questionnaire. Again, the results were collated and anonymised.
- The Chairman also used the discussions with each Non-Executive Director to gather their views on team and individual performance.

4. Setting of objectives and review of duties and responsibilities

Common high-level objectives have been confirmed for the coming year with the NEDs. The objectives cover:

- a. Contributions to the formulation of strategy and holding the executive to account for the delivery of strategy
- b. Gaining assurance regarding finance, quality and performance
- c. Shaping organisational culture
- d. Ensuring that the board acts in the best interests of the public

A number of individually tailored objectives relating to individual duties / areas of focus have been finalised with each NED.

The appraisal for each NED has also included a focus on:

- a. The previous year's SMART objectives and Personal Development Plan
- b. Committee and Academy roles
- c. Special responsibilities held
- d. Identified areas of impact
- e. Current time commitment
- f. Involvement / activities to be developed further (strengths and aspirations)
- g. Learning and development needs
- h. Objectives for the coming year
- i. Future time commitment

5. Appraisal Outcomes

The documented outcomes from each NED appraisal have been finalised and will be lodged with the Associate Director of Corporate Governance/Board Secretary.

The Chair confirms that,

“Following the formal performance evaluation of each NED; the performance of each NED continues to be effective and demonstrates commitment to the role”.

6. Conclusion

The NRC has received and considered this report and has confirmed that it is assured by the contents of the report.

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The Council is asked to note this report on the completion of the NED appraisals (as outlined in section 2) and to confirm if it is assured that the process has been undertaken in line with that agreed with the Council.

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Appendix A

Non-Executive Director Appraisal Process 2022

1. Annually the Chair will confirm SMART objectives with each Non-Executive Director (NED).

Definition of SMART Objectives

Specific: outline in a clear statement precisely what is required

Measurable: include a measure to enable you to monitor progress and to know when the objective has been achieved

Achievable: objectives can be designed to be challenging, but it is important that failure is not built into objectives. Appraiser and appraisee should agree to the objectives to ensure commitment to them

Realistic: focus on outcomes rather than the means of achieving them

Timely: agree the date by which the outcome must be achieved

2. The NEDs will have a number of common high-level objectives related to the role of the NED and a number of individually tailored objectives related to their individual additional duties/areas of focus.
3. The outcomes from any CQC and Well-Led Reviews will inform the appraisal and the setting of objectives.
4. The common high-level objectives will cover:
 - a) Contributions to the formulation of strategy and holding the executive to account for the delivery of strategy
 - b) Gaining assurance regarding finance, quality and performance
 - c) Shaping organisational culture
 - d) Ensuring that the Board acts in the best interests of the public
5. All NED appraisals will be carried out during the same quarter of the year (April /May).
6. The Chair will meet with the NED and broadly review:
 - a) Previous year's Personal Development Plan (PDP) and SMART objectives, committee roles and special responsibilities held
 - b) Identified areas of impact
 - c) Current time commitment

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- d) Involvement/activities to be developed further (strengths and aspirations), learning and development needs and, objectives for the coming year
- e) Future time commitment

7. In undertaking the NED appraisal the Chair will:

- a) Meet with the Chief Executive (who will provide collective feedback from the Executive Directors)
- b) Collect feedback from NED peers
- c) Collect feedback from the Council of Governors

8. The Chair will review the NEDs 'fit and proper person' self-declarations annually.

9. The Chair will document the outcomes from the appraisal session including PDP and objectives identified for the forthcoming year.

10. Training and development opportunities identified will be discussed with the Board Secretary and actioned accordingly.

11. The Chair will present a report to the Governors Nominations and Remuneration Committee on the appraisals of the NEDs.

12. Where a new NED appointment has been made following completion of the annual appraisals, an appraisal will be undertaken within 12 months of appointment and a report presented to the next NRC.

13. The Chair will produce a formal report on the appraisals process undertaken which will be presented to the Council of Governors by the end of Quarter 2. In the case of a NED appointment made following the completion of the annual appraisals a report will be presented to the Council of Governors following consideration of the report by the NRC.

Documentation

1. The NEDs will be provided with a copy of the pro forma prior to the appraisal for them to consider and prepare for their appraisal.
2. All appraisals will be documented and, following the completion of the appraisals the documents will be lodged with the Board Secretary.

Appraisal pro forma - This is attached at attached below at appendix 1.

Non-Executive Director Objectives & PDP pro forma - This is attached below at appendix 2

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Appendix 1

Non-Executive Director Appraisal form

Name	
Review Period: (MM/YYYY to MM/YYYY)	

Overall assessment of performance

The performance of the individual in their role has been assessed through a formal appraisal process as

Strong	Meets requirements	Needs development

Overall feedback and development needs

Overall feedback from Non-Executive Director

APPRAISAL SUMMARY

1. Previous year's objectives (see attached copy of last year's appraisal form), committee roles and special responsibilities held
2. Reflecting the values of the Foundation Trust in the delivery of objectives
3. Areas of impact
4. Current time commitment
5. Involvement/activities to be developed further (strengths and aspirations), learning and development needs and, objectives for the coming year

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6. Future time commitment
7. Any further comments
Non-Executive Director views

Chair	
Signed	
Name	
Date	

Non-Executive Director	
Signed	
Name	
Date	

Chairman's annual review of 'Fit and Proper Persons' self-declaration completed	
Signed	
Name	
Date	

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Appendix 2

Non-Executive Director Objectives & PDP 2022

Name	
Review Period: (MM/YYYY to MM/YYYY)	

Identification of personal development and/or support needs

Description	Proposed intervention	Indicative timescale	Anticipated benefit/measure of success

Common SMART high-level objectives based on;

- Contributions to the formulation of strategy and holding the executive to account for the delivery of strategy
- Gaining assurance regarding finance, quality and performance
- Shaping organisational culture
- Ensuring that the Board acts in the best interests of the public

Individually tailored SMART objectives will relate to additional duties/areas of focus.

1.
2.
3.
4.
5.

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6.

Chair	
Signed	
Name	
Date	

Non-Executive Director	
Signed	
Name	
Date	