

**23 February  
2017  
Item No 6**

## Council of Governors: Summary Sheet

**Title of Paper:** Report from the Nomination & Remuneration Committee – NED Recruitment Process

**Presented By:** Jayne Brown OBE, Trust Chair

**Action Required:**

<b>For Information</b>	<input type="checkbox"/>	<b>For Ratification</b>	<input type="checkbox"/>	<b>For a decision</b>	<input checked="" type="checkbox"/>
<b>For Feedback</b>	<input type="checkbox"/>	<b>Vote required</b>	<input type="checkbox"/>	<b>For Receipt</b>	<input type="checkbox"/>

To which duty does this refer:

Holding non-executive directors individually and collectively to account for the performance of the Board	
Appointment, removal and deciding the terms of office of the Chair and non-executive directors	X
Determining the remuneration of the Chair and non-executive directors	
Appointing or removing the trust's auditor	
Approving or not the appointment of the trust's chief executive	
Receiving the annual report and accounts and auditor's report	
Representing the interests of members and the public	
Approving or not increases to non-NHS income of more than 5% of total income	
Approving or not acquisitions, mergers, separations and dissolutions	
Jointly approving changes to the trust's constitution with the Board	
Expressing a view on the Trust's forward plans	
Consideration on the use of income from the provision of goods and services from sources other than the NHS in England	
Monitoring the activities of the Trust to ensure that they are being conducted in a manner consistent with its terms of authorisation and the constitution.	
Monitoring the Trust's performance against its targets and strategic aims	

### How does this item support the functioning of the Council of Governors?

One of the Council's statutory duties is to appoint and/or remove Non-Executive Directors and determine their remuneration levels. By making a decision based on NRC's recommendations the Council will be fulfilling on of its statutory duties.

**Author of Report:** Margaret Saunders

**Designation of Author:** Director of Corporate Governance (Board Secretary)

**Date:** 16 February 2017

## SUMMARY REPORT

23/02/17  
Item 6

**Report to:** Council of Governors

**Date:** 23 February 2017

**Subject:** NED Recruitment Process

**From:** Margaret Saunders, Director of Corporate Governance (Board Secretary)

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### 1. Purpose

To review the recruitment process for Non-Executive Directors (NEDs).

### 2. Summary

#### 2.1 Background

The Nomination and Remuneration Committee (NRC) met on 27 January 2017 and discussed the options available in relation to the NED appointment process as required by the, Foundation Trust (FT) Code of Governance paragraph B.2.1. The CoG are required to agree with the NRC a clear process for the nomination of new non-executive directors, and once suitable candidates have been identified, the NRC should make recommendations to the Council of Governors, FT Code of Governance paragraph B.2.5. In addition the Code recommends that "There should be a formal, rigorous and transparent procedure for the appointment of new directors to the board." B.2.a.

#### 2.2 Options for NED Appointment Process

The NRC discussed two options in relation to the NED Appointment Recruitment process. The first to employ the Trust's Human Resources (HR) Department or alternatively engage an external recruitment consultant. Debate focused upon ensuring, via either method, candidates with the right qualities, and of sufficient calibre and number to enable a robust appointment process to take place.

Employing the Trust's HR Department to take responsibility for the recruitment process would allow for the roles to be advertised on NHS jobs and the application process will be tailored to allow for the submission of CV's rather than requesting the standard application form be completed. This in-house option would also reduce costs and be managed as a normal appointment supported by an executive lead.

In considering an external consultant, a number of competitive quotes and potential tendering processes would be required which would incur significant costs.

Further discussed in relation to the job description and personal specification recommended a core job description, incorporating specific elements reflective of the skills sets required for the two new appointments and to ensure diversity and appropriate balance of expertise. It was also determined to recommend holding an open event in May/June 2017 to provide potential candidates with an opportunity to meet members and gain an understanding of the NED role.

Following debate NRC concluded the preferred option would be to recommend to the CoG to pursue recruitment via an internal process, with a draft job description and personal specification with details of the shortlisting and interview date to be shared at the CoG meeting in April 2017.

#### **4. Next Steps**

If approved the recruitment process will commence with the identification of a venue to hold an open event, preparation of a draft job description and personal specification with details of the shortlisting and interview date to be shared at the CoG meeting in April 2017.

#### **5. Monitoring Arrangements**

All NED appointments are monitored on behalf of CoG by NRC and will be done so annually.

#### **6. Contact Details**

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