

# Council of Governors

## SUMMARY - Nominations and Remuneration Committee (NRC) Report

Meeting Date: 20 June 2024  
 Agenda Item: 08

<b>Report Title:</b>	<b>Nomination and Remuneration Committee (NRC) Report to the Council of Governors – including Non Executive Director appraisal process</b>	
<b>Author(s):</b>	Amber Wild, Corporate Assurance Manager and Deborah Lawrenson, Director of Corporate Governance	
<b>Accountable Director:</b>	Sharon Mays, Chair Anne Dray, Senior Independent Director	
<b>Other meetings this paper has been presented to or previously agreed at:</b>	<b>Committee/Tier 2 Group/Tier 3 Group</b>	Nominations and Remuneration Committee (NRC)
	<b>Date:</b>	11 June 2024
<b>Key points/ recommendations from those meetings</b>	This report confirms key areas discussed at the NRC meeting. Discussion will take place in confidential session on the outcome of the Chairs appraisal. NRC confirmed this paper for submission to the Council of Governors and are assured the appropriate processes are being followed. Following discussion at the NRC some minor changes have been made to the Governor feedback forms as highlighted.	

### Summary of key points in report

The NRC met to discuss:

- The presentation on the work of the committee to the Council of Governors – see separate slides
- The outcome of the Chair’s appraisal which is shared in the confidential session of the meeting.
- The process for the appraisals of Non-Executive Directors for the review period 2023-24 following discussions held with the NRC and the Council of Governors in April 2024.

Governors are encouraged to consider putting their names forward to join the Nominations and Remuneration Committee which is the only formal sub committee of the Council of Governors and has a key role to play on its behalf in the appraisal and recruitment processes for the Chair and Non-Executive Directors.

#### Non-Executive Director Appraisal process

It was agreed at the meetings in April 2024 to follow the NHS England Non-Executive performance appraisal good practice guide, which has been refined to reflect the new NHS Leadership Competency Framework (LCF) for boards which was launched on 28 February by NHS England (NHSE).

The NRC approved the proposals for undertaking the Non-Executive appraisals including updated questions for the 360 element of the process for the Council of Governors, with minor amendments discussed and agreed during the meeting. These were recommended and agreed at the Council of Governors meeting in

April 2024.

The Committee, and the Council of Governors can be assured an appropriate process has been followed for the appraisal of the Chair and a consistent approach has been used for the appraisals of the remainder of the Board in demonstrating compliance with the competency domains.

This annual review is for the period looking back from 1 April 2023 to 31 March 2024 for all of the NEDs. Appraisals will take place in June and July 2024 following the completion of the Chair appraisal in June and a timetable detailing the appraisal process is provided in section 2.1 of the report. NRC members have been asked to confirm if they wish to participate in any of these.

Governors are encouraged to participate in the opportunity to provide feedback on the performance of the NEDs through completion of the questionnaire form circulated by the Corporate Governance team. In this we ask that you confirm which Governor constituency you are from to help us to understand the breadth of feedback, if you do not wish to complete that this is fine, however please note that the Director of Corporate Governance confidentially holds the names of those who have submitted forms in order to support us with the follow up process. This means we do not need to chase up submissions numerous times through a blanket email approach.

Appendices:

Appendix 1: NED appraisal questionnaire self-reflection form

Appendix 2: NED appraisal confirmation form against the 6 domains in the NHS Competency Framework for Boards

Appendix 3: NED appraisal questionnaire forms for completion by governors via email or google forms

Appendix 4: Board feedback form used to collate views on performance against values.

**Recommendation for the Committee to consider:**

<b>Consider for Action</b>		<b>Approval</b>	<b>X</b>	<b>Assurance</b>	<b>X</b>	<b>Information</b>	<b>X</b>
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The Council of Governors are asked to receive this update for assurance on the appraisal process for the Non-Executive Directors for the period 2023-204.

**Please identify which strategic priorities will be impacted by this report:**

Effective Use of Resources	Yes	✓	No	
Deliver Outstanding Care	Yes	✓	No	
Great Place to Work	Yes	✓	No	
Ensuring our services are inclusive	Yes	✓	No	

**Is this report relevant to compliance with any key standards? State specific standard**

<b>Care Quality Commission Fundamental Standards</b>	Yes		No		NHS England Framework for conducting annual appraisals of NHS provider chairs (February 2024) in respect of the competency domains required for all Board members.
<b>Data Security and Protection Toolkit</b>	Yes		No		
<b>Any other specific standard?</b>	Yes		No		

**Have these areas been considered? YES/NO**

If Yes, what are the implications or the impact?  
If no, please explain why

Service User and Carer Safety, Engagement and Experience	Yes	✓	No		<b>All elements would apply in demonstrating compliance with competencies.</b>
Financial (revenue & capital)	Yes	✓	No		
Organisational Development /Workforce	Yes	✓	No		

Equality, Diversity & Inclusion	Yes	✓	No		
Legal	Yes	✓	No		
Environmental Sustainability	Yes	✓	No		

# Nominations and Remuneration Committee

## Section 1: Analysis and supporting detail

### Background

- 1.1 On 28 February NHS England (NHSE) launched its leadership competency framework (LCF) for board members. These are part of a planned suite of management and leadership development training, tools and resources for NHS organisations with further guidance expected in the autumn of 2024.
- 1.2 NHS England and Improvement (as was) established a framework for conducting annual appraisals for NHS provider chairs in September 2019 and this was updated in April 2021 and again in February 2024.

The framework applies to all board members of NHS provider organisations, integrated care boards and NHSE's board. It will support NHS organisations to recruit, appraise and develop board members against a set of core competencies and will support the appointment of diverse, skilled and proficient leaders.

The Framework states that the 6 competency domains identified should be used in board member appraisals and to support the development of individuals and the whole board. A new board member appraisal framework will support this but will not be available until autumn 2024.

NHS Providers summary on the framework - [NHS England's leadership competency framework for board members - NHS Providers](#)

- 1.3 This annual review is for the period looking back from 1 April 2023 to 31 March 2024 for all of the NEDs and for the Associate NED. The Associate NED appraisal will be undertaken by the Chair as this is a board appointment.
- 1.4 The appraisal process will include a collation of feedback on the performance of NEDs from governors and board members. Views from some (but not all) of the Board, using feedback on performance against our values. The NEDs will complete a self-reflection form **attached at Appendix 1** and a self-assessment and confirmation form against the 6 NHS Competency Framework for Boards **attached at Appendix 2** and Governors have been provided with a form for completion via email and google forms as detailed below and **attached at Appendix 3** and the form used for feedback on values **attached at Appendix 4**.

## Section 2: Appraisal schedule

- 2.1 Appraisals will be undertaken by the Chair with the Deputy Lead Governor as the Lead Governor is not available to participate. Up to 3 members of the NRC in total are able to participate in each appraisal if available. Completed appraisal packs will be sent to the Chair and the appraisal panel in advance of the appraisal dates. The timetable is provided below:

Date	Time	Location	NED
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Thursday 25 July 2024	9.30 – 11.00	Centre Court	Heather Smith
Thursday 25 July 2024	12.30-14.00	Centre Court	Anne Dray
Thursday 25 July 2024	15.00 – 16.30	Centre Court	Owen McLellan
Wednesday 31 July 2024	9.30 – 11.00	Centre Court	Mark Dundon
Wednesday 31 July 2024	11.30 – 13.00	Centre Court	Dr Olayinka Monisola Fadahunsi-Oluwole (Yinka)

### Section 3: Risks

- 3.1 There is a potential risk of non-completion of various elements of the process which could potentially impact negatively on the outcome. An effective appraisal will enable Non-Executive Directors to evaluate their performance, receive constructive feedback, build upon strengths, and address any areas for development and provide assurance to the Council of Governors of the competency of the Non-Executives in fulfilling their roles.

### Section 4: Assurance

#### Benchmarking

- 4.1 Supporting principles within the NHS Code of Governance updated in 2022 <https://www.england.nhs.uk/publication/code-of-governance-for-nhs-provider-trusts/>, requirements of the [provider licence](#), and the [Health and Social Care Act 2008 \(Regulated Activities\) Regulations 2014 \(regulation 5\)](#) require that individual evaluation of directors needs to take place to demonstrate that they are 'fit and proper', continue to contribute effectively, continue to demonstrate commitment and have the relevant skills for the role.

It is the responsibility of the Chair supported by the Director of Corporate Governance (Trust Secretary) to ensure that NEDs, including Associate NEDs, are supported to participate in the appraisal process, and that the process is appropriate and effective with assurance is provided to the Nominations and Remuneration Committee and the Council of Governors that the appropriate processes have been followed.

Assurance is provided that plans in place for the appraisals for the period 2023/24 are in line with the requirements in the updated national leadership framework.

### Section 5: Next steps

- 5.1 Following discussion at the Council of Governors the appraisals will take place and the outcome received at the next meeting.

## **Section 6: List of Appendices**

Appendix 1: NED appraisal questionnaire self-reflection form

Appendix 2: NED appraisal confirmation form against the 6 domains in the NHS  
Competency Framework for Boards

Appendix 3: NED appraisal questionnaire form for completion by governors via email or  
google forms

Appendix 4: Board feedback form used to collate views on performance against values.



### 2024-25 NED Appraisal Summary for the period 2023-24 self-reflection form

The appraisal process is important to ensure that Non-Executive Directors feel motivated, well supported, and confident to deal with the many issues and challenges they will face in their role. An effective appraisal will enable Non-Executive Directors to evaluate their performance, receive constructive feedback, build upon strengths, and address any areas for development.

Please complete the attached form and return it by **xx 2024**.

**This form should be completed after completing the self-assessment against the competency domains for Board members**

*Where a NED is relatively new in post – they are asked to complete this form based on their experiences to date.*

<b>Name</b>	
<b>Organisation</b>	<b>SHSC</b>
<b>Year</b>	<b>1 April 2023-31 March 2024</b>

**1. Health and Wellbeing – how are you feeling and what further support do you need to improve your health and wellbeing?**



**2. SHSC values, teamwork reflection and actions – how do you feel you have demonstrated our values and what if anything have you found most challenging in this? What more could be done in terms of team working as part of the NED team and the wider Board?**

**3. Personal development and progression actions – Detail on any personal development agreed in the last review will be added in here.**





#### 4. Progress against objectives set for 2023-2024

<p>To be inserted for each Non-Executive</p>	
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#### 5. Aspirations and objectives for 2024-2025

<p>Your initial thoughts on these (linked to our strategic priorities) – these will be agreed with the Chair.</p>	
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**6. Any further comments or areas you wish to highlight, including any actions agreed to improve performance**

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**Note for future reference** – for the review period 2024-25 we may need to require NEDs to complete an additional detailed questionnaire depending on outcome of the further development of the Board assessment frameworks in 2024 and if so will be adding in a box confirming this has been completed.

**7. Suitability for appointment/re-appointment (where applicable)**

The appraisee has confirmed they continue to be a 'fit and proper person' as outlined in [regulation](#) 5 and there are no pending proceedings or other matters which may affect their suitability for appointment.

**YES/NO** – If NO please provide details.

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Appraiser	
Signed	
Name	
Date	

Appraisee	
Signed	
Name	
Date	

**SHSC – Non- Executive self-assessment and confirmation form against the 6 NHS Competency Framework for Boards**

April 2024

	<b>Domain</b>	<b>Self-assessment reflection (bullet points) confirming how you have contributed to meeting each domain</b>	<b>Chair reflection from appraisal and any development required</b>
<b>1.</b>	<b>Driving high quality sustainable outcomes</b>		
<b>2.</b>	<b>Setting strategy and delivering long-term transformation</b>		
<b>3.</b>	<b>Promoting equality and inclusion, and reducing health and workforce inequalities</b>		
<b>4.</b>	<b>Providing robust governance and assurance</b>		
<b>5.</b>	<b>Creating a compassionate, just and positive culture</b>		
<b>6.</b>	<b>Building a trusted relationship with partners and communities</b>		



## NED Appraisal for the period 1 April 2023-31 March 2024: Governor anonymous Questionnaire

### Guidance note to support completing the form

Thank you for your participation in this review process for the Non-Executive Directors.

The NED appraisal process is important for two key reasons:

1. It provides assurance to the Council of Governors that the Non-Executive (NED) is effectively fulfilling their role.
2. It supports the person receiving the feedback to feel motivated, well supported, and confident to deal with the many issues and challenges they face in their role.

Please remember to be thoughtful, balanced and compassionate in your feedback and provide any contextualisation in the comment boxes where you wish to do so.

Governors can provide feedback either via email with the form attached or through google forms. **Please indicate your preferred method and the team will support you in this.**

**Your response will remain non-attributable and anonymous but on the form please indicate the type of Governor you are when you complete the form such as Public/Appointed/Service User/Carer/Young Carer/Staff Governor and add the name of the NED you are feeding back on. This is not compulsory but does help us in understanding the breadth of feedback received.**

You are asked to confirm the extent to which you agree with each statement in relation to the person the review is for.

Please only provide one response to each statement. If you have other comments please add them into the additional comment boxes provided. This additional context is welcomed.

There are **six new competency domains** for Board members which have been used to support developing the questions on this form



<b>NED APPRAISAL FORM FEEDBACK FROM GOVERNORS</b> <b>LINK TO THE ONLINE FORM TO BE INSERTED HERE</b>	
<b>NED PHOTO TO BE            INSERTED HERE</b>	<b>Information on the NED to be inserted here</b>
	<p><b>For information and to support you in in confirming the level to which the NED meets each statement</b> some of the ways in which you can do this is from how you observed the performance of a NED in a number of ways:</p> <ul style="list-style-type: none"> <li>• Your observations of them at Council of Governors meetings, including where they have presented on the work of the committees they chair or answered your questions.</li> <li>• Your observations of them at Board meetings or committee meetings where you have been able to observe these - where you will have seen them holding Executive's to account and challenged around strategic and operational matters and decision making.</li> <li>• Your observations of their engagement/attendance at Governor workshops and seminars across the year or at Chair drop-in sessions, at various conferences and events we have held, at buddying meetings or at the Annual Members Meeting</li> <li>• Any other direct engagement you may have had with them collectively or as individuals.</li> </ul> <p><b>For information</b> all of our NEDs are members of 3 board sub-committees. The Associate NED attends 2 committees and potentially provides back up to a 3<sup>rd</sup> when required. They all participate in a detailed programme of Board visits to our services both front line and corporate teams and give of their time over and above the requirements of their roles.</p> <p>Our Non-Executive Directors have some specific lead roles such as:</p> <ul style="list-style-type: none"> <li>• Heather Smith is the Deputy Chair, Freedom to Speak Up NED lead and the Chair of the Quality Assurance Committee</li> <li>• Anne Dray is the Senior Independent Director and the Chair of the Audit and Risk Committee</li> <li>• Owen McLellan is the Chair of the Finance and Performance Committee</li> <li>• Olayinka Monisola Fadahunsi is the Well being NED lead for staff and is the Chair of the Mental Health</li> </ul>



Legislation Committee

- Mark Dundon, Chair of the People Committee
- Brendan Stone, provides lived experience to discussions at Board

I am a public/staff/service user/carer/young carer/appointed Governor – **please delete as appropriate – this is not compulsory**

This feedback is for Non-Executive Director – **INSERT NAME**

**Any observations you wish to make on the performance of this Non-Executive Director**



<b>Personal development, style and impact</b> – How the Chair has demonstrated behaviour in line with our Trust values				
<b>Working together for service users</b>	<b>Respect and kindness</b>	<b>Everyone counts</b>	<b>Commitment to quality</b>	<b>Improving lives</b>
<p>1. What have they done well over the last year?</p> <p>2. What could they have done even better?</p> <p>3. Anything else you wish to add?</p>				
<b>Domain 1 - Driving high quality and sustainable outcomes</b>				





	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able to answer
1	I have observed that the NED is committed to ensuring the Trust delivers the best quality outcomes for those we support whilst making effective use of resources.					
<b>Comments</b>						
<b>Domain 2 - Setting strategy and delivering long-term transformation</b>						
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able to answer
2	I have observed that main strategic issues and challenges facing the Trust (e.g. through your observation of them at Council of Governors, Board of Directors or Board sub committee meetings)					
<b>Additional comments</b>						
<b>Domain 3 - Promoting equality and inclusion, and reducing health and workforce inequalities</b>						
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able



						to answer
3	I have observed that the NED values the importance of encouraging consideration of equality diversity and inclusion in discussions and decision making.					
4	Where I have observed the NED chairing a meeting e.g. a Board Sub Committee meeting - I can see that they have actively tried to give everyone a voice and sufficient time and opportunity to engage.					
<b>Additional comments</b>						
<b>Domain 4 - Providing robust governance and assurance</b>						
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able to answer
5	I have observed the NED challenging colleagues and those presenting papers in a constructive, respectful and supportive way.					
<b>Additional comments</b>						
<b>Domain 5 - Creating a compassionate, just and positive culture</b>						



	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able to answer
6	I have observed that the NED is committed to the importance of a compassionate leadership approach which encourages people to 'speak up' when they have concerns.					
<b>Additional comments</b>						
<b>Domain 6 - Building a trusted relationship with partners and communities</b>						
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Do not feel able to answer
7	I consider the NED to have engaged effectively and positively with the Council of Governors in formal and informal meetings and settings.					
<b>Additional comments</b>						

**Appraisee Name**

Please provide examples under each heading of how they have demonstrated living our values.

<b>Working together for service users</b>	<b>Respect &amp; Kindness</b>	<b>Everyone Counts</b>	<b>Commitment to Quality</b>	<b>Improving Lives</b>

**1. What have they done well over the last year?**

**2. What could they have done even better?**

**3. Anything else you wish to add?**