

Council of Governors: Summary Sheet

28th July 2016
Item No 12

Title of Paper: To approve and extension to the Terms of Office of two Non-Executive Directors

Presented By: Chair, Jayne Brown OBE

Action Required:

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

The Council of Governors is required to decide on the terms and conditions of service for Non-Executive Directors and any amendments to them.

Author of Report: Jill Dentith

Designation of Author: Interim Board Secretary

Date: 20th July 2016

SUMMARY REPORT

28 July 2016

Item 12

Report to: Council of Governors

Date: 28th July 2016

Subject: Non-Executive Directors Appointments

From: Jill Dentith, Interim Board Secretary

1. Purpose

To note that the terms of office of two Non-Executive Directors (NED) come to an end on 30 November 2016 and the actions taken to date on this issue.

2. Summary

2.1 Background

On 30 November 2016 Sue Rogers and Mervyn Thomas, Non-Executive Directors (NED), terms of office come to an end.

The Code of Governance states that the Nomination and Remuneration Committee is responsible for the identification and nomination of non-executive directors to be appointed by the Council of Governors (CoG).

The Code goes on to say that “When considering the appointment of non-executive directors, the council of governors should take into account the views of the board of directors and the nominations committee on the qualifications, skills and experience required for each position.”

2.2 Remuneration and benchmarking

The last remuneration review by COG was in June 2014. At its meeting of 20th July 2016, the NRC agreed to review NED remuneration at its next meeting and bring any recommendation to the Council of Governors.

NRC will also consider the time commitment for NEDs, which is currently set at a minimum of 3 days per month, for recommendation to a future CoG.

2.5 Succession planning

With the appointment of the new Chair in July 2016 and two NEDs, who will have only been in post for approximately 12 months, it is important to consider issues of continuity and corporate memory. It is also a critical time for the organisation as it prepares for a further Care Quality Commission (CQC) inspection, due to take place in November 2016, and a review of the organisation performance against its licence by NHS Improvement (formally Monitor) by May 2017. NRC also considered the opportunities that potentially new perspectives could bring.

With this in mind, the Chair discussed this issue with the Lead Governor, Chief Executive and members of the Trust Board and recommended to NRC that the current terms of office for Sue Rogers and Mervyn Thomas be extended for a further 12 months (ending 30 November 2017). Both Sue and Mervyn would be willing to serve the extra term and are clear that no further extensions would be offered at the end of this time. The Chair pointed out that both Mrs Rogers and Mr Thomas

had recently been appraised and had been rated as exceptional which should provide assurance to both NRC and CoG of their suitability to continue in their role. NRC agreed to this recommendation. However, they requested that a full review of NED appointments takes place in the near future in order that a clear succession plan can be developed and brought before the Council of Governors.

3. **Next Steps**

The Chair will work with NRC members to take forward the recommendations of NRC to CoG on this matter.

4. **Required Actions**

CoG is asked to approve the following:

- 4.1 current terms of office for Sue Rogers and Mervyn Thomas be extended for a further 12 months (ending 30 November 2017).

5. **Monitoring Arrangements**

Progress will be monitored and reported to Board, NRC and the Council of Governors by the Trust Board Chair.

6. **Contact Details**

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