

COUNCIL OF GOVERNORS MEETING

Agenda Item	007/17	Date: 23rd January 2017
Subject /title	Non-Executive Director Appointment	
Authors	Julie Dawes, Trust Secretary Andrea Leather, Corporate Governance Manager	
Responsible Director	Wendy Williams, Chair	
Executive summary and key issues for discussion		
<p>As reported at the Council meeting on 31st October 2016, the terms of office for a number of the Non-Executive Directors are due to expire during this year. This includes Jan Burns in January and Alison Hastings in December 2017.</p> <p>The Council also considered and approved at the previous meeting, the proposed recruitment process for the appointment of two additional Non-Executive Directors and confirmed that following a board skills analysis, the Trust would be seeking candidates with experience of the private and/or public sectors at a senior level with specific experience in one or more of the following areas:</p> <ul style="list-style-type: none">• Large organisation experience covering change and achieving competitive advantage gained at a strategic level.• Financial expertise gained within a large and complex organisation at a senior level with a recognised financial qualification <p>Following a robust and transparent process, a Nominations Panel comprising three governors selected from the Remuneration/Nomination Committee reached a unanimous decision that Candidate A (change expertise) and Candidate B (finance expertise) should be recommended to the Council of Governors for appointment as Non-Executive Directors for three-year terms.</p> <p>This report is intended to provide assurance to the Council of Governors concerning the recruitment process undertaken and seeks formal approval of the recommendation of the Nominations Panel.</p>		
Strategic context and background papers (if relevant)		
<p>A strong Board team is essential in achieving the Trust's strategic objectives. The Council of Governors have a vital role to play in achieving the right balance of skills and composition of Non-Executive Directors.</p> <p>Policy for the Composition of Non-Executive Directors</p>		
Recommended Resolution		
<p>The Council of Governors is asked to:</p> <ol style="list-style-type: none">1. Approve the appointment of Candidate A (<i>change</i> expertise) as a Non-Executive Director for a three year period with effect from 1 February 2017 to 31 January 2020 at a remuneration of £12,752 per annum (subject to annual review); and2. Approve the appointment of Candidate B (finance expertise) as a Non-Executive Director for a three year period with effect from 1 August 2017 to 31 July 2020 at a remuneration of £12,752 per annum (subject to annual review).		

Risk and assurance								
Failure to recruit and retain a strong team of Non-Executive Directors will have an impact on the successful achievement of the Trust's strategic objectives.								
Link to CQC Regulations								
Regulation 17: good governance Regulation 18: staffing								
Financial Implications								
There are no new financial implications associated with this appointment								
Key communication points (internal and external)								
<ul style="list-style-type: none"> NHS Improvement Trust website Team Brief 								
Freedom of Information Status								
<p>FOI exemptions must be applied to specific information within documents, rather than documents as a whole. Only if the redaction renders the rest of the document non-sensical should the document itself be redacted.</p> <p>Application Exemptions:</p> <ul style="list-style-type: none"> Prejudice to effective conduct of public affairs Personal Information Info provided in confidence Commercial interests Info intended for future publication 	<p>Please tick the appropriate box below:</p> <table border="1"> <tr> <td><input checked="" type="checkbox"/></td> <td>A. This document is for full publication</td> </tr> <tr> <td><input type="checkbox"/></td> <td>B. This document includes FOI exempt information</td> </tr> <tr> <td><input type="checkbox"/></td> <td>C. This whole document is exempt under FOI</td> </tr> </table> <p>IMPORTANT:</p> <p>If you have chosen B above, highlight the information that is to be redacted within the document, for subsequent removal.</p> <p>Confirm to the Trust Secretary, which applicable exemption(s) apply to the whole document or highlighted sections.</p>		<input checked="" type="checkbox"/>	A. This document is for full publication	<input type="checkbox"/>	B. This document includes FOI exempt information	<input type="checkbox"/>	C. This whole document is exempt under FOI
<input checked="" type="checkbox"/>	A. This document is for full publication							
<input type="checkbox"/>	B. This document includes FOI exempt information							
<input type="checkbox"/>	C. This whole document is exempt under FOI							
Equality & Diversity impact assessment								
Are there concerns that the policy/service could have an adverse impact because of:	Yes	No						
Age		✓						
Disability		✓						
Gender		✓						
Ethnicity		✓						
Sexual Orientation		✓						
Religion / Belief		✓						
Pregnancy and maternity		✓						
Civil Partnership and Marriage		✓						
If YES to one or more of the above please add further detail and identify if full impact assessment is required.								
Next steps								
Subject to the approval by the Council, the successful candidates will be given a conditional offer subject to appropriate references and employment checks in line with the Health and Social Care Act 2008 (Regulated Activities) Fit and Proper Persons Regulation.								
Appendices								

Corporate Objectives supported by this report

Improving Quality	✓	Maintaining financial sustainability	
Transforming how cancer care is provided across the Network		Continuous improvement and innovation	✓
Research		Generating Intelligence	

Link to the NHS Constitution

Patients		Staff	
Access to health care		<i>Working environment</i> Flexible opportunities, healthy and safe working conditions, staff support	
Quality of care and environment	✓	<i>Being heard:</i> <ul style="list-style-type: none"> Involved and represented Able to raise grievances Able to make suggestions Able to raise concerns and complaints 	✓
Nationally approved treatments, drugs and programmes			
Respect, consent and confidentiality			
Informed choice		Fair pay and contracts, clear roles and responsibilities	
Involvement in your healthcare and in the NHS		Personal and professional development	✓
Complaint and redress	✓	Treated fairly and equally	

COUNCIL OF GOVERNORS

23 January 2017

Appointment of Non-Executive Directors

Executive Summary

The appointment of Non-Executive Directors is one of the statutory duties of the Council of Governors (CoG). This report is therefore intended to provide assurance of the process undertaken to recruit two new Non-Executive Directors to the CoG and make the necessary recommendations to the CoG on the preferred candidates together with the reasons supporting the recommendations.

Background

As previously reported at the CoG meeting in October 2016, two of the current Non-Executive Directors' term of office will terminate on the following dates:

- Jan Burns will reach the end of her second term on 31 January 2017.
- Alison Hastings will reach the end of her second term on 31 December 2017.

In accordance with both the Trust's Constitution and the prevailing '*Policy for the Composition of Non-Executive Directors*' (as amended in October 2016), a nominations panel acting on behalf of the Remuneration /Nominations Committee of the CoG has undertaken a robust and transparent open competition and recruitment process and is now in a position to make a recommendation to the CoG.

Appointment Process

Initiating the recruitment process

As part of the recruitment of Mark Baker in October 2016, a decision was made that GatenbySanderson would be engaged to also support the recruitment of the two required Non-Executive Directors.

The Board of Directors conducted a skills analysis and advised the Remuneration/Nomination Committee on the competencies required to maintain a balanced Board of Directors. It was accordingly agreed that the Trust would be seeking candidates with experience of the private and/or public sectors at a senior level with specific experience in **one or more** of the following areas:

- Large organisation experience covering **change** and achieving competitive advantage gained at a strategic level (change expertise)
- **Financial expertise** gained within a large and complex organisation at a senior level with a recognised financial qualification

The Remuneration/Nominations Committee agreed the advertisement and Candidate Brief which was made widely available to potential candidates to provide more background information about the respective roles.

Advertisement, search and application stages

The role was advertised by GatenbySanderson, using social media and, press releases and the Trust's website. The advertisement went live in early October with a closing date on 31 October 2016. Alongside this advertisement, a head-hunting search was undertaken by GatenbySanderson.

A total of 50 applications were subsequently received for the change position and 17 applications for the finance position.

Longlist stage

Following a longlisting meeting on 4 November 2016, the Nominations Panel agreed to longlist 7 candidates for the change position and 6 candidates for the finance position.

Preliminary longlist interviews were undertaken by GatenbySanderson which were arranged as structured discussions with candidate against the competencies outlined in candidate brief.

Shortlist stage

The shortlist meeting took place on 23 November 2016 comprising the Nominations Panel, and representation from GatenbySanderson. 4 candidates were shortlisted for final interview for the change position and 5 candidates for the finance position.

Two of candidates for the finance position subsequently withdrew owing to alternative successful applications.

Final Interview

Change position

The shortlisted candidates were invited to attend a one hour final interview on 16 December 2016. The interview panel comprised the Trust Chair, Stephen Sanderson (Senior Governor), Jane Wilkinson (public governor) and Yvonne Tsao (public governor). The Chief Executive was in attendance during the interview as an observer.

The interview panel reached a unanimous decision that Candidate A should be recommended to the CoG for appointment as a Non-Executive Director for a three year term. To support this recommendation, a verbal report concerning Candidate A will be provided at the meeting.

Finance position

The shortlisted candidates were invited to attend a one hour final interview on 9 December 2016. The interview panel comprised the Trust Chair, Carla Thomas (public governor), Jane Wilkinson (public governor) and Yvonne Tsao (public governor). In addition, the Chief Executive was in attendance during the interviews as an observer.

Owing to illness and at the request of the Nominations Panel one candidate was invited to attend an interview on 22 December 2016. The interview panel comprised the Trust Chair, Stephen Sanderson (Senior Governor), Jane Wilkinson (public governor) and

Yvonne Tsao (public governor). In addition, the Chief Executive was in attendance during the interviews as an observer.

The interview panel reached a unanimous decision that Candidate B should be recommended to the CoG for appointment as a Non-Executive Director for a three year term. To support this recommendation, a verbal report concerning Candidate B will be provided at the meeting.

Diversity of Candidates

Change positon

Of the four candidates considered at the final interview stage, none of them (0%) were from a BME background with 3 male (75%) and 1 female (25%) candidates.

Finance positon

Of the three candidates considered at the final interview stage, none of them (0%) were from a BME background with 1 male (33%) and 1 female (33%) candidates. One candidate did not provide any information.

Next Steps

Upon Council approval, the successful candidate will be given a conditional offer subject to appropriate references and employment checks in line with the Health & Social Care Act 2008 (Regulated Activities) Fit and Proper Persons Regulation.

Recommendation

The Council of Governors is asked to:

1. Approve the appointment of Candidate A (*change* expertise) as a Non-Executive Director for a three year period with effect from 1 February 2017 to 31 January 2020 and at a remuneration of £12,752 per annum (subject to annual review); and
2. Approve the appointment of Candidate B (*finance* expertise) as a Non-Executive Director for a three year period with effect from 1 August 2017 to 31 July 2020 and at a remuneration of £12,752 per annum (subject to annual review).