Ashford and St. Peter's Hospitals NHS
NHS Foundation Trust

COUNCIL OF GOVERNORS
17th May 2012

TITLE	**Nominations and Appointments Committee Minutes**
EXECUTIVE SUMMARY	Draft minutes from the Committee meeting held on 12th April 2012 are attached for information. The Committee discussed ▪ Job Descriptions ▪ Reappointment of Non-Executive Directors ▪ Reappointment of the Chairman
The Council is asked to:	Note the draft minutes
Submitted by:	Aileen McLeish Chairman
Date:	20th April 2012
Decision:	For Noting

Minutes of the Meeting of the Council of Governors' Nominations and Appointments Committee 3.00 pm on 12th April 2012 in Chertsey House, St Peter's Hospital

PRESENT:	Aileen McLeish	Chairman
	Chris Howorth	Appointed Governor – Royal Holloway University
	Godfrey Freemantle	Public Governor – Hounslow
	Maurice Cohen	Public Governor – Woking
	Steve McCarthy	Public Governor - Elmbridge
	Peter Taylor	Non Executive Director
IN ATTENDANCE:	Raj Bhamber	Director of Workforce and Organisational Development
SECRETARY:	Jane Gear	Head of Corporate Affairs
APOLOGIES	Diana Manthorpe	Staff Governor-volunteers
	Andrew Liles	Chief Executive

Minute **Action**

N&A1/12 **Minutes of the previous meeting**

The minutes of the meeting held on 25 October 2011 were agreed as a correct record subject to correcting the spelling of Chris Howorth in minute N&A 16/11.

Matters arising

There were no matters arising not covered elsewhere on the agenda:

N&A2/12 **Future Time-Tabling Of Non-Executive Director Appointments**

Following the last meeting, the Chairman considered the feasibility of staggering the Non-Executive Director re-appointment dates, so that only one re-appointment or new appointment was scheduled for each six-month period.

It was noted that when the Trust was an NHS Trust, Non-Executive Directors had been appointed by the Appointments Commission for four-year terms. Under the NHS Act 2006 Non-Executive Directors in post had the right to become Non-Executive Directors of the Foundation Trust for the unexpired period of their term of office. As a Foundation Trust the Council of Governors made new Non Executive Director appointments for three year terms. The clock for independence, which was a part of the Monitor Code of Governance, commenced at authorisation and hence there was a mismatch between appointment date and Independence for Non-Executive Directors who had also been Directors of the NHS Trust. This was not the case for appointments made post-authorisation.

Having given the matter careful consideration, the recommendation from the Chairman was to consider re-appointments of the current Non-Executive Directors on a further three-year term with the exception of Peter Taylor who had expressed a wish for this to be a shorter period.

DRAFT

The Governors tested the proposal rigorously. During the discussion, it was noted that two of the six Non-Executive Directors were new appointments and the departure of Peter Taylor in approximately 18 months, if re-appointed, would result in a 50% churn of the Non-Executive Directors.

In addition, there had been number of changes to the Executive Directors over the last year including the Finance Director, Medical Director and Chief Nurse. It was agreed that it was important that institutional memory was maintained and there needed to be a balance between staggering appointments and churn. The Trust was entering an important strategic phase, with consideration of the Epsom transaction, and, at any point, the circumstances of individual Non-Executive Directors might change impacting on the Board construction. The potential impact on motivation was also highlighted if shorter terms of office were proposed as well as the perception which might be created externally regarding continuity at Board level.

At the conclusion of the discussion the Committee AGREED to consider the re-appointments of the three Non-Executive Directors and the Chairman on a basis of three-year terms with the opportunity for increased staggering of appointments to be considered at the end of these appointment periods.

N&A3/12 **Skills Audit**

Part of the process underpinning decisions of re-appointment or new appointments of Non Executive Directors was an assessment of the balance of skills of the Non-Executive Team on the Board and the individual's contribution to this.

The Board had commissioned Foresight Partnership, an independent consultancy, to undertake a skills audit of the Board. Foresight had worked with the Board over the last 18 months and had a good perspective on how the Board operated. The report concluded that there was a good balance of skills on the Board and advocated maintaining continuity at this time. It was noted that the report drew on the 360-degree reviews conducted on all Board members as part of the appraisal process agreed with the Council of Governors.

The Director of Workforce and OD explained the 360-degree process. This had been reviewed at the Remuneration and Appraisal Committee meeting in March 2012 where a number of minor changes and improvements to the tool had been suggested. Consideration would be given to a short briefing session for Governors on the use of the tool at an appropriate point in the appraisal cycle. **RB**

The aggregated feedback from the 360 reviews showed that the Board was high scoring overall .The only domain that was slightly lower scoring for Non-Executive Directors was engaging stakeholders and the community.

The Committee discussed this point which it was felt primarily related to the Non-Executive Directors engaging with the Council of Governors. It was noted that this was identified within all Non-Executive Directors' objectives. However, it was also highlighted that two of the Non-Executive Directors had full-time jobs which provided a constraint to their participation but brought an added depth to the Board.

The report included a summary table of 12 criteria which were based on characteristics drawn from the Monitor job prescription and some additional functional areas. Overall, the Board had a strong span across all 12 characteristics, although it was noted there was a matter of degree in judging

DRAFT

whether individual Non-Executive Directors had met particular characteristics.

The Committee considered whether it would be appropriate to include a requirement for a Non-Executive Director to have a health background. There were advantages and disadvantages associated with such an appointment, but it was noted that currently Philip Beesley, Professor at the Royal Holloway, offered equivalent skills and background and it would therefore be most appropriate to consider this matter at the point he stepped down.

The one characteristic on the chart where the Board looked weaker was in respect of broad public sector policy. However, the corresponding benefit was the tendency for Non-Executive Directors not familiar with a sector to undertake greater probing and challenge in that area.

The Committee agreed that it would be appropriate to undertake an annual review of the criteria detailed in the report and that the criteria should be owned by the Committee. **RB/JG**

The Committee NOTED the report.

N&A4/12 **Review Of Non-Executive Directors' Job Description**

The Committee had previously agreed that consideration of re-appointment should routinely include a review of the job description. The copy of the current Non-Executive Directors' job description had been circulated with the papers and was based on the template provided by Monitor. It was also the job description endorsed by the Council and used for the appointment of the two new Non Executive Directors in January 2011.

It was noted that the Health and Social Care Act 2012 gave Governors a new general duty to hold the Non-Executive Directors 'individually and collectively to account for the performance of the Board of Directors'. It was expected that Monitor would issue guidance on this change and at that point, amendment to the job description would be needed.

The Committee AGREED to use the current job description for the re-appointment of the three Non-Executive Directors due for consideration at this meeting. **JG/RB**

It was agreed to obtain copies of job descriptions for Non-Executive Directors from other Foundation Trusts to see how they had moved away from the Monitor template.

Peter Taylor left the meeting.

N&A5/12 **Re-Appointment Of Non-Executive Director – Philip Beesley**

Chris Howorth declared an interest in the item as a colleague of Philip Beesley at Royal Holloway.

The Committee discussed the overall approach to considering a re-appointment and the relationship between the Committee and the Remuneration and Appraisal Committee. Overall, it was important that the Council of Governors were assured on the robustness of the process of appraisal. The purpose of the Remuneration and Appraisal Committee was to develop the appraisal process for approval by the Council of Governors. The Remuneration and Appraisal Committee then had a responsibility to ensure the process was correctly followed. As a result, the

DRAFT

Remuneration and Appraisal Committee had met in March 2012 where they had reviewed the process and received a more detailed written and verbal briefing on the outcome of the individual Non-Executive Directors' appraisals.

It was agreed that the wording in the process agreed by the Council of Governors for considering re-appointments should be refined, as it stated that the Nominations and Appointment Committee would 'receive a summary of the individuals' last three years appraisals'. However, the summary provided to the Nominations and Appointment Committee was intended to be a note of the outcome only. **JG/RB**

The Trust Secretary, as objective advisor to both Committees, confirmed that the Remuneration and Appraisal Committee had met and endorsed the outcome of the Non-Executive Directors' appraisals. The minutes of the Remuneration and Appraisal Committee would be presented to the Council of Governors' meeting.

The Committee briefly explored how issues of performance or conduct might be raised and how this interplayed with the activity of the Nominations and Appointments Committee.

In considering the re-appointment of Philip Beesley, the Committee highlighted his role on the Integrated Governance and Assurance Committee and also on the Clinical Excellence Awards Committee. Governors present who had witnessed his role on the Committees commended him. The Committee felt that his letter of application was extremely strong.

It was AGREED to recommend to the Council of Governors the re-appointment of Philip Beesley as Non-Executive Director for a further three-year period AND for his continuation in the role as Deputy Chairman.

N&A6/12 **Re-Appointment Of Non-Executive Director – Terry Price**

The Committee reviewed the report recommending the re-appointment of Terry Price. In particular, his contribution as Audit Committee Chairman was noted.

The Committee AGREED to recommend to the Council of Governors that Terry Price was re-appointed as Non-Executive Director for a further three-year term.

N&A7/12 **Re-Appointment Of Non-Executive Director – Peter Taylor**

The Committee discussed the recommendation that Peter Taylor was re-appointed for a shorter term in line with his wishes, i.e., until 31 October 2013. The Chairman confirmed that this had been a mutual agreement and would provide a useful window of opportunity to consider a new appointment in the light of the Epsom transaction if it proceeded.

The Committee discussed the proposed date for the term of office noting the benefits of a more extended time-table for future recruitment exercises than had been adopted in January 2011 for the first two Non-Executive Director appointments. To achieve a November 2013 appointment date would mean the process would be initiated around April 2013 and it was highlighted there could be significant changes to the Council of Governors by that date.

It was noted that Peter Taylor had strong merger and acquisition skills and Governors therefore highlighted that when a new appointment was considered, the benefits of a Non-Executive Director with experience in integration might be

appropriate.

The Committee concluded that it was appropriate to proceed with a re-appointment ending on 31 October 2013 and AGREED to recommend to the Council of Governors that Peter Taylor was re-appointed as Non-Executive Director.

In concluding the discussion on the Non-Executive Director re-appointments, the Governors congratulated the Chairman on the leadership afforded by the Board.

The Chairman left the meeting and Peter Taylor re-joined the meeting assuming the chair.

N&A8/12 Chairman's Job Description

The current Chairman's job description was based on the Monitor template. It was confirmed that the template was issued by Monitor as part of the Foundation Trust application process. It was further confirmed that the Council of Governors were obliged to conform with legal requirements, needed to be aware that departure from the Monitor Code of Governance was on the basis 'comply or explain', but that in respect of non-mandatory guidance, such as the Monitor job descriptions, the Council had the ability to exercise their judgment and challenge and alter relevant documentation.

Again noting that guidance on the Health and Social Care Act 2012 should be issued shortly, the Committee AGREED to consider the re-appointment of the Chairman on the basis of the current job description.

N&A9/12 Re-Appointment Of The Chairman

The Committee reviewed the report recommending the re-appointment of the Chairman. The Chairman's appraisal had been led by the Senior Independent Director, Peter Taylor, and had involved the Lead Governor together with feedback from a range of stakeholders including Governors, through the 360-degree appraisal process.

Governors reflected on the Chairman's extensive experience and knowledge gathered over the last nine years and also highlighted her open and welcoming approach to questioning by the public, which was not apparent in all Trusts. Following discussion, the Committee AGREED to recommend the Chairman's re-appointment to the Council of Governors for a three year period with strong endorsement and universal support by the Committee members.

N&A10/12 Data and Time of Next Meeting

The next meeting would be scheduled by the Committee Secretary. This needed to sequence after a meeting of the Remuneration and Appraisal Committee and prior to the September Council of Governors' meeting. The main agenda item would be to consider the re-appointment of Sue Ells, Non-Executive Director. **JG**

N&A11/12 Any Other Business

There was no other business.

DRAFT

Signed: ……
Chairman

Date:

DRAFT

Committee Date	Minute Ref	Topic	Action	Lead	Due Date	Comment as at	Status
12/04/12	**N&A4/12**	**Skills audit**	Review 12 criteria in skills report annually	RB	April 2013		
12/04/12	**N&A4/12**	**NED Job Description**	Get examples from other FTs	RB	August 2012		✔
12/04/12	**N&A5/12**	**Re-Appointment Of Non-Executive Directors**	Review wording in process to make clearer	JG			

DRAFT