

Council of Governors

SUMMARY REPORT

Meeting Date: 19 April 2023

Agenda Item: 11

Report Title:	Nominations and Remuneration Committee report to the Council of Governors	
Author(s):	Deborah Lawrenson, Director of Corporate Governance	
Accountable Director:	Sharon Mays, Chair/Anne Dray, Senior Independent Director	
Other Meetings presented to or previously agreed at:	Committee/Group:	Nominations and Remuneration Committee
	Date:	31 March 2023
Key Points recommendations to or previously agreed at:	<p>The committee approved for onward recommendation at the Confidential Council of Governors meeting held on 4 April 2023 the following items which were subsequently endorsed:</p> <ul style="list-style-type: none"> • Appointment of the next Chief Executive – Salma Yasmeen • Re-appointment of Non-Executive Director Heather Mills for a further 3-year term and her appointment as Deputy Chair • The committee also received and discussed plans for the appraisal processes for the Chair and the Non-Executive Directors which are presented today for agreement and comment 	

Summary of key points in report

In summary

- The Board Remuneration and Nomination Committee approved the appointment of Salma Yasmeen as the next Chief Executive in March 2023, this was subsequently reported to, and the recommendation agreed, at the governors Nomination and Remuneration Committee and subsequently approved at the 4 April 2023 Council of Governors extraordinary meeting.
- The committee received and approved a recommendation from the Chair for the re-appointment of Non-Executive Director Heather Smith for an additional term of 3 years ending 31 July 2026. The additional term was agreed as three years to support continuity in the Non-Executive team given the term of office for the Chair ends in September 2025 and a number of Non-Executives are up for reviews of their term of office that year. This was subsequently reported to, and agreed by, the Council of Governors on 4 April 2023 who also agreed Heather should be appointed to the role of Deputy Chair which provides an addition £2000 in remuneration on top of the £13,000 currently paid to Non-Executive Directors.

Board recruitment

The committee received an update on board recruitment noting:

- Non-Executive Director Mark Dundon started in post 1 March 2023 following appropriate due diligence
- Associate Non-Executive Professor Brendan Stone was re-appointment for a further 2 years from 1 March 2023 (as reported to the 7 February meeting). Support for this has been received from the University of Sheffield as the appointing body.
- Two Executive board vacancies are currently going through recruitment processes and the newly appointed next Chief Executive will be involved in this:
 - Executive Director of Nursing and Professions – interviews are due to take place in late April.
 - Director of Service Delivery (Operational lead role) recruitment process will begin shortly.

Chair and Non-Executive appraisal process

The committee received papers on proposals on the process to be followed for the Chair and Non-Executive director's appraisal process. This will be based on the same process used last year.

Chair appraisal

The Chair appraisal process will be led by the Senior Independent Director Anne Dray supported by the Director of Corporate Governance (Board Secretary). The process is nationally prescribed.

A summary of the process is detailed below:

- Preparation for and conduct of the Chair's appraisal should be facilitated by the Senior Independent Director (SID)
- The SID calls in and receives the Chairs self-evaluation and all assessment feedback from participant stakeholders.
- This is facilitated by the Director of Corporate Governance (Board Secretary)
- Consultation will take place with stakeholders (including board members, governors and system colleagues) using the documentation in the National Annual Appraisal Guidance.
- Requests for contributions will be sent to Governors, Board Members and a range of External partners
- A summary of responses received will be provided to the Chair, Senior Independent Director, Lead Governor, Deputy Lead Governor and another member of the Nominations and Remuneration Committee who will take part in the appraisal process.
- Self-assessment to be received from the Chair by 25 May 2023
- A report will be drafted by the Director of Corporate Governance for the SID, for receipt at NRC to be held w/c 5 June and COG on 22 June
- The full appraisal process should be completed and submitted by 30 June 2023 to NHSE for onward sharing with the NHSE/I Regional Director

In relation to questions the governors will be asked, the Lead Governor suggested, and the committee agreed to three areas around which questions will be crafted to review the Chair's performance and governors are asked if any other areas should be covered:

- The Chair's leadership ability and style
- The Chair's behaviours in relation to the Trust values
- Chair inclusion of all Governors and incorporation of Governor feedback

The committee agreed that in respect of the questionnaire which will be posed to the Governors for the appraisal of the Chair and the Non-Executives that an electronic tool be used as well as a paper version for those that prefer it. The team will consult with IT to ensure a secure approach is used for the electronic form and governors will be encouraged to provide narrative feedback as well as scoring.

The committee agreed that short briefing summaries will be provided for governors, with the questions, to remind them of the ways in which the Chair and Governors have engaged and fulfilled their roles over the last year.

Non-Executive Director appraisal process

The Non-Executive Directors appraisal process will be led by the Chair supported by the Director of Corporate Governance (Board Secretary) and the Executive Assistant.

A summary of the process is detailed below:

- The annual review is for the period 1 April 2022 to 31 March 2023
- The appraisal process will include a collation of feedback on the performance of NEDs from governors and board members.
- Views from the Board will be gathered via the Chair and the Chief Executive.
- Responses from Governors will be collated anonymously via email and in electronic form for feeding back to the appraisee and the appraisal panel. Paper versions will be available for those who prefer that approach.
- Appraisals will take place in June and July 2023, and following the completion of the Chair appraisal.
- Appraisals will be undertaken by the Chair with the Lead Governor and Deputy Lead Governor or another member of NRC where available

Governors are asked to provide feedback on the draft questions for the NED appraisals. Attached at **appendix 1**.

Appendices

- Appendix 1 – draft questions for the NED appraisals

The next meeting of the Nomination and Remuneration Committee will consider:

- Proposed changes to the constitution specifically in relation to board composition in advance of the Board and Council of Governors
- Outcome of the Chair appraisal
- Updated Terms of Reference
- Work plan for 2023 – 24

Recommendation for the Board/Committee to consider:

Consider for Action		Approval	✓	Assurance	✓	Information	
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The Council of Governors is asked to:

- receive for assurance and comment an update on the areas covered at the most recent Nomination and Remuneration Committee including matters discussed at the 4 April 2023 extraordinary Council of Governors meeting for formal noting in public.
- receive for assurance, comment and agreement on the planned processes for the appraisal of the Chair and the Non-Executive Directors for the financial year 2022/23.

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

Recover Services and Improve Efficiency	Yes	✓	No	
Continuous Quality Improvement	Yes	✓	No	

Transformation – Changing things that will make a difference					Yes	✓	No	
Partnerships – working together to make a bigger impact					Yes	✓	No	
Is this report relevant to compliance with any key standards ? State specific standard								
Care Quality Commission	Yes	✓	No		Good Governance – Code of Governance Health And Social Care Act Provider Licence			
IG Governance Toolkit	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	✓	Not required for this purpose			
Financial (revenue & capital)	Yes		No	✓				
OD/Workforce	Yes		No	✓				
Equality, Diversity & Inclusion	Yes		No	✓				
Legal	Yes		No	✓				
Environmental sustainability	Yes		No	✓				



Appendix A

NED Appraisal: Governor Questionnaire (**insert name of the NED you are reviewing**)

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-executives to evaluate their performance, receive constructive feedback, build upon strengths, and address any areas for development.

Please can we ask you now to take some time to complete the attached questionnaire and return the completed questionnaire by **xx timeframe to be inserted**.

Your response will remain non-attributable and anonymous.

These statements are for review in order to assess the performance of the Non-Executive Directors.

They have been developed through a detailed review of role descriptions, regulatory requirements and good practice guidance.

Only one response should be selected per statement, and comments boxes are provided to enable you to articulate the rationale for responses (this is optional).

Please provide your observations where you have attended Board meetings and Council of Governors meetings and seen the Non-Executive Director in action.

Also include your observations from Governor and NED workshops; Governor induction events; NED and Governor lunches; NED presentations to the Council of Governors meetings, Buddying sessions, Governor conferences and the Annual Members meeting.

Governor observers of Board Sub Committees are asked to provide commentary on their observation of NEDs who chair committees if they have been able to attend the meetings.

Please indicate the type of Governor you are when you complete the form such as Public, Appointed, Service User, Carer or Staff.

I am a xxxxxxxxxxxx Governor							
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Cannot say	Comments
Corporate understanding and strategic awareness							
1	Demonstrates well rounded knowledge of SHSC						



I am a xxxxxxxxxxxx Governor							
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Cannot say	Comments
2	Demonstrates understanding of the breadth of key strategic issues						
Leadership							
3	Behaves consistently with our values						
Commitment							
4	Is visible in committing their time to understand SHSC and the environment we operate in						
Contributions and holding to account							
5	Challenges constructively and in a way that adds value						
6	Challenges mainly on strategic matters and management of strategic and corporate risk						
7	Contributes to debate across entirety of the Board agenda						
8	If applicable – Chairs						



I am a xxxxxxxxxxxx Governor							
	Statement	Strongly agree	Agree	Dis-agree	Strongly disagree	Cannot say	Comments
	effectively ensuring sufficient time, everyone has a voice; appropriate level of discussion and challenge and cross referral to other committees where needed						
9	Has engaged effectively with the Council of Governors						
Personal development, style and impact							
10	Consistently acts in best interests of patients, staff and the public						
11	Contributes meaningfully to the effectiveness of the Board as a team						
12	Any areas of potential further development						
13	Strengths/opportunities/ additional comments						