

Council of Governors: Summary Sheet

Title of Paper: Report from Nomination & Remuneration Committee

Presented By: Lead Governors & Trust Chair

Action Required:	For Information	<input type="checkbox"/>	For Ratification	<input type="checkbox"/>	For a decision	<input checked="" type="checkbox"/>
	For Feedback	<input type="checkbox"/>	Vote required	<input checked="" 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	<input type="checkbox"/>
Appointment, removal and deciding the terms of office of the Chair and non-executive directors	<input checked="" type="checkbox"/>
Determining the remuneration of the Chair and non-executive directors	<input type="checkbox"/>
Appointing or removing the Trust's auditor	<input type="checkbox"/>
Approving or not the appointment of the Trust's chief executive	<input type="checkbox"/>
Receiving the annual report and accounts and Auditor's report	<input type="checkbox"/>
Representing the interests of members and the public	<input type="checkbox"/>
Approving or not increases to non-NHS income of more than 5% of total income	<input type="checkbox"/>
Approving or not significant transactions including acquisitions, mergers, separations and dissolutions	<input type="checkbox"/>
Jointly approving changes to the Trust's constitution with the Board	<input type="checkbox"/>
Expressing a view on the Trust's operational (forward) plans	<input type="checkbox"/>
Consideration on the use of income from the provision of goods and services from sources other than the NHS in England	<input type="checkbox"/>
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	<input type="checkbox"/>
Monitoring the Trust's performance against its targets and strategic aims	<input type="checkbox"/>

How does this item support the functioning of the Council of Governors?

The Council of Governors will be complying with its statutory duties cited in the constitution and paragraph 10 of the standing orders

Author of Report: Sam Stoddart

Designation: Deputy Board Secretary

Date: April 2020

Council of Governors

Date: 14 May 2020

Subject: Report from Nomination & Remuneration Committee (NRC)

From: Terry Proudfoot, Lead Governor, Jayne Brown OBE, Trust Chair

Authors: Sam Stoddart, Deputy Board Secretary

1. Purpose

<i>For approval</i>	<i>For a collective decision</i>	<i>To report progress</i>	<i>To seek input from</i>	<i>For information/assurance</i>	<i>Other (Please state below)</i>
x					For noting
Governors are required to vote on NRC's recommendations to: <ul style="list-style-type: none"> • Extending the Chair's term of office • Extending the NED term of office (Chair of Audit & Risk Committee) 					

2. Summary

The appointments for both the Chair and Non-Executive Director positions were progressing according to the process and timescales agreed by CoG, with stakeholder groups, presentations and the interview scheduled for the Chair and the presentation date and interview set a month later for the NED position. However, both were suspended following the outbreak of the Covid-19 pandemic in line with the NHS England and NHS Improvement instructions to cease certain activities in order to maintain the wellbeing and safety of staff, governors and the public.

NRC were therefore consulted virtually regarding steps the Trust needed to take to safeguard the Trust's governance processes and continuity of leadership given the length of time that restrictions would likely be in place. The options for the Chair position were presented as follows.

Option 1: Appoint an Interim External Candidate

Following liaison with professional networks, the Trust did not advise NRC that this is as an option at this time as it could be potentially destabilising due to the lack of continuity and leadership.

Option 2: Extension of Current Chair (current term ends 30 6 20)

NRC were informed the Chief Executive, Jan Ditheridge had a discussion with the Chair who indicated she would be happy to continue in the role for a period of six months or until the Trust can complete the recruitment process. This option would provide the Board and Trust with important continuity of leadership.

Option 3: Acting up of another NED into the Role

Both the Vice Chair and Senior Independent Director were approached regarding this option. Whilst both indicated that they would act up if no alternatives were available, their personal circumstances are such that they would not wish to do this.

With regard the Audit Chair appointment, Ann Stanley confirmed that she would be in agreement to carrying on in her role for six months or until such time as the Trust can resume the process and make a suitable appointment.

NRC were informed that the Chief Executive's preferred option in relation to the Chair appointment was option 2 and she was supportive of continuity in respect of the Audit Chair.

Upon consideration of the options, all NRC members agreed unanimously that option 2 in relation to the Chair and the extension of the Audit Chair's term were an acceptable way forward which would safeguard the composition of the Board, continuity of leadership and the integrity of governance systems.

3. Next Steps

Following all necessary approvals being received, the terms of office for both positions will be extended for six months or until such time as a successful appointment is made, should this happen before that date. When safe to do so, and following instruction from NHS England, the process for both appointments will recommence.

4. Required Actions

The Council of Governors is asked to vote on the NRC's recommended to:

- (a) Extend the term of office of the Chair for up to six months or until 31 December 2020
- (b) Extend the term of office of the Audit Chair (Ann Stanley) for up to six months or until until 31 January 2020

Should over fifty percent of governors vote in favour of these options, they will be carried.

5. Monitoring Arrangements

The process will be overseen by the Director of Corporate Governance (Board Secretary).

6. Contact Details

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