

Council of Governors: Summary Sheet

Title of Paper: NRC Report for assurance: 2019-20 NED & Chair appraisals

Presented By: Jayne Brown, Trust Chair & Sandie Keene, Senior Independent Director

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

To which duty does this refer:

Holding non-executive directors individually and collectively to account for the performance of the Board	X
Appointment, removal and deciding the terms of office of the Chair and non-executive directors	
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	X
Approving or not increases to non-NHS income of more than 5% of total income	
Approving or not significant transactions including acquisitions, mergers, separations and dissolutions	
Jointly approving changes to the Trust's constitution with the Board	
Expressing a view on the Trust's operational (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	X
Monitoring the Trust's performance against its targets and strategic aims	

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

CoG is responsible for holding NED both individually and collectively to account for the performance of the Board and appraisal is one way in which this is done.

Author of Report: Sam Stoddart

Designation: Deputy Board Secretary

Date: 20 July 2020

Council of Governors

Date: 23 July 2020

Subject: Outcome of Non-Executive Director (NED) and Chair appraisals for period 2019-20

From: Jayne Brown OBE, Trust Chair
Sandie Keene CBE, Senior Independent Director (SID)

Authors: Sam Stoddart, Deputy Board Secretary, Jayne Brown & Sandie Keene

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>

2. Summary

2.1 NED Appraisals

Supporting principles within the [NHS Foundation Trust Code of Governance](#), requirements of the [provider licence](#), and the [Health and Social Care Act 2008 \(Regulated Activities\) Regulations 2014 \(regulation 5\)](#) require that individual evaluation of directors needs to take place to demonstrate that they are 'fit and proper', continue to contribute effectively, continue to demonstrate commitment and have the relevant skills for the role.

The annual review for the period 1 April 2019 to 31 March 2020 for four of the NEDs, namely Ann Stanley, Sandie Keene CBE, Richard Mills and Brendan Stone (Associate NED) for took place in July. The process involved inviting feedback on their performance from governors and board members alike. Thirty seven governors were sent questionnaires and 23 were returned. Seven executive members of the Board were sent questionnaires and two were returned for Ann and Sandie, and four for Richard and Brendan.

The paper provides assurance on the performance of each NED but CoG is asked to note that the responsibility for Brendan Stone, Associate NED lies with the Board which is the appointing body. Therefore, the information contained within this report in relation to Brendan is for information only.

All appraisals were undertaken by the Chair with the Lead Governor Terry Proudfoot and NRC Member Maggie Young, and were informed by feedback from both governors and executive members of the Board.

The Nomination & Remuneration Committee (NRC) at its meeting of 20 July 2020 received assurance regarding the appraisal process and that this followed the procedures agreed and set down by the Council of Governors.

NRC asks CoG to note that while it was felt that the NEDs collectively provide good challenge and contribute well to the organisation, appraisals took place in the context of an inadequate CQC report and as such, this was reflected in the outcomes.

2.2 Overall assessment

The overall assessment for each NED and the Associate NED are show in the table below.

	Outstanding	Good	Requires Improvement	Inadequate
Ann Stanley			✓	
Richard Mills			✓	
Sandie Keene			✓	
Brendan Stone		✓		

2.3 2020/21 Objectives

A number of objectives for the current year were agreed for each NED.

Ann Stanley: whilst acknowledging that Ann's term would be ending in the near future, in her remaining time with the Trust the following was identified

- Focus on Council of Governors and Board development
- Development of Audit Committee
- A desire to spend more time with frontline services

Sandie Keene CBE:

- Development of NED and governor relationships
- Greater engagement with front-line services
- Supporting Board development and driving a change in organisational culture
- Effective oversight of the Back to Good programme by the Quality Committee

Richard Mills:

- Development of NED and governor relationships
- Supporting the new 5 year strategy , including 'Getting back to Good' and the production of a new Estates strategy
- Capacity building and capability to deliver across a range of challenges

Professor Brendan Stone:

- Developing and enhancing work with service users
- Improve collaboration between the Trust and third sector
- Capacity building and capability to deliver across a range of challenges

3. Chair Appraisal

In September 2019 a new national appraisal and performance framework for Chairs was introduced by NHE England (NHSE) and NHS Improvement (NHSI). This

process was adopted for the Chair's appraisal. It included seeking feedback from a wider range of stakeholders. In total, eight responses were received by SHSC board members, 12 from governors and two from external stakeholders. These comments were used to inform discussion in the appraisal.

Unlike the Non-Executive Director appraisal process which is locally agreed and offers an overall rating of performance aligned to CQC ratings, the Chair appraisal process does not. Instead, a narrative is provided for areas of strength and opportunities for increased impact and effectiveness.

The process was led by the SID, Sandie Keene, in tandem with the Lead Governor, Terry Proudfoot and Cllr Adam Hurst (NRC member) and began in December 2019 when questionnaires were sent to governors, board members and stakeholders. The appraisal itself took place on 24 January 2020, and was due to be reported to the April 2020 Council of Governors, but due to the Covid-19 pandemic this did not take place.

The feedback received from all stakeholders showed the significant majority of respondents either 'strongly agreed or agreed' with the statements in the appraisal questionnaire. There was a small minority of responses where 'disagreed or strongly disagreed' was recorded with one recording significant concerns. All concerns were reflected in the scoring of the questionnaire. A large number of stakeholders submitted text to highlight areas of strength and also opportunities for increased impact.

Within the domains of appraisal, the Chair's strongest performance was in the areas of strategy and partnerships. However, it was recognised within the feedback that this had been a challenging year. The Chair was self-aware and self-critical, conscious of mistakes and opportunities to change but committed to achieving significantly better outcomes for the Trust in the context of the new leadership arrangements.

As the Chair had indicated that she would be shortly stepping down from the role at the end of her term, no objectives were set for the coming year.

In line with the new national framework for Chair appraisals, the complete appraisal documentation was sent to Richard Barker, the Regional Director for NHS Improvement and NHS England.

4. Next Steps

The appraisal for Heather Smith will be scheduled after she has served 12 months.

5. Required Actions

CoG is asked to accept this paper from the Nomination & Remuneration Committee as assurance that all appraisals have been undertaken in line with either local or national requirements.

CoG is also asked to note the outcome of each appraisal.

6. Monitoring Arrangements

It is the Chair's responsibility to ensure that all NEDs receive an annual appraisal and the SID's responsibility to undertake the Chair's appraisal.

7. **Contact Details**

For further information, please contact:

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