

SUMMARY REPORT		South Tees Hospitals  NHS Foundation Trust
Name of meeting		Date of meeting
Subject	Appointment of three new non-executive directors	
Prepared by	Caroline Parnell Director of Communication & Engagement	
Approved by		
Presented by	Jean Herbert, Lead governor	
Name of meeting considered/approved by		

Purpose: The purpose of this report is to discuss the process undertaken to identify new non-executive directors and seek approval for their appointment	Decision	
	Approval	●
	Information	
	Assurance	

Executive Summary
<p>Mrs Brenda Thompson is stepping down as non-executive director in August 2015, Mr David Kirby's term of office is up on June 2016, and the Board of Directors has determined that another non-executive post is required to ensure an appropriate balance on the board.</p> <p>The Council of Governors previously approved a process for seeking a suitable replacement in line with Monitor's Code of Governance. The code requires that all appointments are subject to a formal, rigorous and transparent procedure. Appointments should be based on merit and objective criteria.</p>

Next Steps
<p>The Council of Governors is asked to note the process undertaken and approve the appointment of the preferred candidates.</p>

Supports Trust Strategy Map in the following areas							
quality & patient safety		business sustainability		operational excellence		organisational capability	
deliver integrated care		improved cost control		improved patient flow		improved information	
forefront of clinical innovation		increased productivity		improved innovation processes		continuous service improvement culture	
specialised services development		increased revenue & market share		strong governance & risk management	●	workforce development	
service quality and safety		enhanced services				strong partnerships & engagement	

If a key risk(s) has been identified, please describe below

APPOINTMENT OF THREE NON-EXECUTIVE DIRECTORS

1. Introduction

Mrs Brenda Thompson has indicated that she would like to step down from her role as a non-executive director at the end of her current term of office in August 2015. Coun. Thompson has been a non-executive director for seven years, pre and post the organisation's authorisation as an NHS Foundation Trust.

Mr David Kirby, deputy chairman and chair of the Audit Committee, has indicated that he would like to step down from his role as a non-executive director during 2015. He has been a non-executive director for 11 years, pre and post the organisation's authorisation as an NHS Foundation Trust.

The trust's constitution sets out the required make up of the board, including the option to have between five and eight non-executive directors. The number of non-executive directors is a decision for the Board of Directors however it is a requirement that there are more non-executive directors than executive directors with voting rights.

The trust currently has seven non-executive directors and due to the recent changes to the executive team the board has determined that an eighth non-executive is required to ensure an appropriate balance is maintained on the Board of Directors.

2. Appointment process

Monitor's Code of Governance sets out the arrangements for the appointment of non-executive directors of an NHS Foundation Trust. The code requires that all appointments are subject to a formal, rigorous and transparent procedure, and appointments should be based on merit and objective criteria.

The process for the selection of any new non-executive director should be based on best practice and ensure that decisions are grounded in evidence obtained through the selection process.

Those engaged in the appointment process and decision making need to:

- establish clear job descriptions, in line with the outline job description for non-executive directors recommended by Monitor,
- ensure that the specification of the requirements of candidates fully reflect the skills and competencies needed, and the selection process should allow those involved to evidence the extent to which the candidates meet the requirements.

The board has considered the skills it requires to effectively respond to the challenges facing the organisation in the short to medium term. It had determined that a qualified accountant with extensive financial management experience is needed to replace Mr Kirby and for the two other non-executive

director posts candidates with business and change management experience and skills would be beneficial to the trust.

A core job description for non-executive directors was approved by the governors' Nominations Committee when previous vacancies were filled. At the committee's meeting in February 2015 it agreed to use that as the basis for the development of job descriptions that would capture the skills required as identified by the Board of Directors.

The committee agreed – it was ratified by the Council of Governors – that Odgers, a search company be used to identify potential candidates for the three posts. The trust has used Odgers to successfully recruit to the trust's most recent non-executive and executive vacancies.

This brief was given to Odgers, who identified a strong field of candidates. A long listing and short listing process was then undertaken by Deborah Jenkins, trust chair; Prof. Tricia Hart, Chief Executive; Jean Herbert, lead and public governor; Jonathan Broughton, staff governor, and Eileen Martin, appointed governor.

On 29 June 2014 five short listed candidates visited the trust for a selection process that involved a focus group made up of the following governors, non-executive and executive directors:

- Grant Reid
- Angela Seward
- John Wilkinson
- Maureen Rutter
- Chris Newton

Their feedback on each candidate was then considered by an appointment panel made up of:

- Deborah Jenkins
- Tricia Hart
- Jonathan Broughton
- Eileen Martin

The panel then carried out in-depth interviews with each candidate and they took the view that all were of excellent quality and would bring varied skills and experience to the board.

4. Recommendation

Following the rigorous selection process agreed and undertaken by governors, with support from executive and non-executive directors, it is recommended that the Council of Governors approve the appointment of Richard Carter-Ferris, David Heslop and Michael Reynolds as non-executive directors for a period of three years from 1 August 2015. If his appointment is approved then Mr Carter-Ferris will also take on the role as Chair of the Audit Committee.