



Council of Governors' Meeting: Monday 30 April 2018

CoG2018.16

Title	Developmental Non-Executive Roles
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Status	For information and discussion
History	

Executive Summary

1. A vacancy for a non-executive director [NED] arose within the Trust following the departure of Mr Peter Ward at the end of his term of office on 30 November 2017.
2. In accordance with the requirements of the Constitution, an Appointments Panel was convened to recruit a replacement NED. By agreement of the Council of Governors, its membership was continued from that of the Appointments Panel that had recruited Ms Paula Hay-Plumb as Non-Executive Director. The members of the Appointment Panel were: <ul style="list-style-type: none"> • Dame Fiona Caldicott (Chairman of the Panel) • Ms Sue Chapman (Public elected Governor) • Mr Martin Havelock (Public elected Governor) • Dr Chris Winearls (Staff elected Governor) • Mr Martin Howell/Ms Astrid Schloerscheidt (Appointed Governors)
3. The Appointments Panel concluded that it was unable to recommend the appointment of a new Non-Executive Director from amongst the candidates who were interviewed for this role, notwithstanding the strength overall of the field that was identified by Odgers Berndtson, search consultants.
4. The Panel did, however, suggest that one or more of the candidates interviewed could, after appropriate development and support, be re-considered at a later date for appointment to the role of Non-Executive Director.
5. In order to provide appropriate development opportunities and support for one or more of the candidates, such that he/she may be re-considered at a later date for appointment to the role of Non-Executive Director, it is proposed that the developmental role offered should be one in which there would be the chance: <ul style="list-style-type: none"> • to attend and ask questions at meetings of the Board and its sub-committees, and • to be included in other Board activities (e.g. accompanied, Executive Quality Walk Rounds). <p>Consideration will also be given to offering mentoring or 'buddying' by current members of the Board (in respect of which, the findings of the recently published Kirkup Review¹ are noted, including the recommendation that there should be a suitable system of support and mentorship for Board members).</p>
6. Specialist legal advice has been sought on the arrangements that should be put in place in respect of the proposed developmental role to which one or more of the candidates may be appointed, and the proposed job description and contract to be offered.
7. At the point when the post-holder(s) may be re-considered for appointment to the role of Non-Executive Director, that appointment must be made by the Council of Governors.
8. However, the Council of Governors cannot be responsible for appointments to a developmental role that will not be one of a Non-Executive Director on the Board.

¹ <https://improvement.nhs.uk/news-alerts/independent-review-liverpool-community-health-nhs-trust-published/>

9. The individuals whom it is proposed may be considered for engagement in a developmental role were identified as part of a recruitment process undertaken with governor involvement on the Appointment Panel for Non-Executive Directors, and the Board would wish Governors to be given the opportunity to comment on the proposal.

10. The Governors' Remuneration, Nominations and Appointments Committee [RNAC] had the opportunity to consider the proposal at its meeting held on 18 April 2018.

11. RNAC was supportive of the proposal, and in particular acknowledged the importance of providing opportunities to develop individuals in a way that ultimately can support the Trust's goal of increasing the diversity and representativeness of its Board.

12. After due consideration, the Committee recommended that Council endorse the approach as proposed.

Recommendation

The Council of Governors is asked to **consider, note and endorse** the proposal to explore the scope for appointment to developmental roles which *may* in time equip an individual to re-apply for appointment as Non-Executive Director.

Developmental Non-Executive roles

A. Background

1. A vacancy for a non-executive director arose within the Trust following the departure of Mr Peter Ward at the end of his term of office on 30 November 2017.
2. A recruitment process was undertaken to seek a replacement in this Non-Executive Director [NED] role. As required under the Trust's Constitution, as a foundation trust, this was an appointment to be made by the Council of Governors and the process was undertaken by a suitably constituted Appointments Panel, with the following membership:
 - Dame Fiona Caldicott (Chairman of the Panel)
 - Ms Sue Chapman (Public elected Governor)
 - Mr Martin Havelock (Public elected Governor)
 - Dr Chris Winearls (Staff elected Governor)
 - Mr Martin Howell/Ms Astrid Schloerscheidt (Appointed Governors)
3. The Appointments Panel concluded that it was unable to recommend the appointment of a new Non-Executive Director from amongst the candidates who were interviewed for this role, notwithstanding the strength overall of the field that was identified by Odgers Berndtson, search consultants.
4. The Panel did, however, suggest that one or more of the candidates interviewed could, after appropriate development and support, be re-considered at a later date for appointment to the role of Non-Executive Director.
5. The Trust Chairman was asked to explore with the two candidates identified whether they would be likely to be interested in a developmental role, and Odgers Berndtson were asked to advise further on the experience of other trusts.
6. The two candidates identified have each expressed enthusiasm to take up the opportunity for further development, subject to further clarification of the role that may be offered.
7. Odgers Berndtson has advised that developmental roles are
 - “ used successfully in the NHS to support Board succession strategy and achieve a balance of Board level skills. Although not legally a member of the Board, and not participating in any formal vote, the individual [can be] an integral member of the wider Board team-comprising executive and non-executive roles and attending Board and key committee meetings as required”*

B. Developmental Non-Executive roles

8. The Trust Board has expressed its support for providing opportunities to develop individuals in a way that ultimately can support the Trust's goal of increasing the diversity and representativeness of its Board.

9. In order to provide appropriate development opportunities and support for one or more of the candidates, such that he/she may be re-considered at a later date for appointment to the role of Non-Executive Director, it is proposed that the role offered should be one in which there would be the chance:
 - to attend and ask questions at meetings of the Board and its sub-committees, and
 - to be included in other Board activities (e.g. accompanied, Executive Quality Walk Rounds).
10. It is proposed that consideration should also be given to offering mentoring or 'buddying' by current members of the Board (in respect of which, the findings of the recently published Kirkup Review² are noted, including the recommendation that there should be a suitable system of support and mentorship for Board members).
11. Specialist legal advice has been sought on the arrangements that should be put in place in respect of the proposed developmental role to which one or more of the candidates may be appointed, and the proposed job description and contract to be offered.
12. At the point when the post-holder(s) may be re-considered for appointment to the role of Non-Executive Director, that appointment must be made by the Council of Governors.
13. However, the Council of Governors cannot be responsible for appointments to a developmental role that will not be one of a Non-Executive Director on the Board.
14. The individuals whom it is proposed may be considered for engagement in a developmental role were identified as part of a recruitment process undertaken with governor involvement on the Appointment Panel for Non-Executive Directors, and the Board would wish Governors to be given the opportunity to comment on the proposal.
15. The Board would wish to give governors the opportunity to comment on the proposal to appoint Designate Non Executives.
16. The Governors' Remuneration, Nominations and Appointments Committee [RNAC] had the opportunity to consider the proposal at its meeting held on 18 April 2018.
17. RNAC was supportive of the proposal, and in particular acknowledged the importance of providing opportunities to develop individuals in a way that ultimately can support the Trust's goal of increasing the diversity and representativeness of its Board.
18. After due consideration, the Committee recommended that Council endorse the approach as proposed.

Recommendation

The Council of Governors is asked to **consider, note and endorse** the proposal to explore the scope for appointment to developmental roles which *may* in time equip an individual to re-apply for appointment as Non-Executive Director.

Dame Fiona Caldicott

Chairman

² <https://improvement.nhs.uk/news-alerts/independent-review-liverpool-community-health-nhs-trust-published/>

Paper prepared by:

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April 2018