

Council of Governors

19 September 2023

Report Title:	Non-Executive Director Recruitment
Executive/NED Lead:	George Chalkias, Director of Governance Kate Read, Director of People and Organisational Development
Report author(s):	Ann Filby, Trust Secretary
Previously considered by:	N/A

Approval

Discussion

Information

Assurance

Executive summary

The Council of Governors is responsible for the appointment of Non-Executive Directors, including the Trust Chair. Council requests the Appointments and Performance Committee to undertake detailed work in this area, before recommending a candidate to the Council for consideration.

Appointments of Non-Executive Directors (NEDs) are usually made for a three-year term, as set out within the Trust's Constitution, with the possibility of re-appointment for a further three years subject to a satisfactory appraisal. NEDs normally serve a maximum of six years. Exceptionally the Council may agree to extending the term of office NED by a further 12 months to maintain continuity of knowledge and experience within the Board. The Trust currently appoints Associate Non-Executive Directors as non-voting development posts, for a single two-year term. In accordance with Schedule 7, 16(4), a person may be appointed as a non-executive director only if he is a member of a public constituency or the patients' constituency, or where any of the corporation's hospitals includes a medical or dental school provided by a university, he exercises functions for the purposes of that university.

It is with regret that Fiona Ryder, NED, has stepped down with effect from 31 August 2023. Fiona was appointed by the Council in January 2023 for a three-year term from 1 March. Urgent recruitment is required to return the Board to a Non-Executive majority as required by the Trust's Constitution and the NHS Code of Governance, paragraph 2.7, *that at least half the board of directors, excluding the chair, should be non-executive directors whom the board considers to be independent*. The Committee at its meeting held on 5 September 2023 considered the role description, selection process, timetable and checklist, and recommended that a Trust-led recruitment process was pursued for recommendation to the Council. The NHS England Fit and Proper Person Test Framework (FPPT) for board members was published on 2 August and those requirements will need to be met for this appointment. The interview panel is to be confirmed, and outline dates for all elements of the process are now proposed. These will be confirmed and added to relevant calendars at an early stage.

In the longer term, plans are required to recruit to a number of Non-Executive Director roles. An outline timetable is proposed, with further discussion required in early 2024 to confirm detailed requirements.

Action Required of the Committee/Council

The Council is invited to:

- Agree the key skills and experience required to recruit to the NED vacancy, using a Trust-led recruitment process
- Agree in principle the outline timetable for NED recruitment during 2024.

1. Key skills and experience to be sought – NED vacancy

There is a base level of experience and skills that will be required for any appointment at this level in order to perform effectively the role of a Director for a public sector organisation of the size and complexity of ESNEFT.

Additional skills and experience that may be required are proposed as below. These reflect the future plans of the Trust and increased collaborative working across a range of health and care organisations, ensuring that the Board has access to the appropriate skills and experience across its membership.

- Experience of the implementation and management of significant organisational transformation schemes, particularly those which are technology-led, due to the planned implementation of an Electronic Patient Record
- A patient-oriented viewpoint, with it being desirable that they have relatively recent experience of treatment under the NHS
- Demonstrable commitment to patients and communities within the ESNEFT geography
- The delivery of high-quality services in a context of limited resource
- Working in partnership and/or working in complex system contexts.

A report was received at the Board's People and Organisational Development Committee in July 2023 setting out the Trust's approach to succession planning and developing talent including NEDs. This was considered by the Committee.

2. Promoting diversity on the Board

A diverse Board is stronger and makes better decisions, drawing on a wider range of experiences. This helps to improve the access and health outcomes for patients and communities and supports our aim to become a more inclusive employer by making full use of the talents of our diverse staff.

The Committee will be aware that there is a national focus on ensuring diversity is improved at Board and senior manager levels, across all protected characteristics, but with a particular emphasis on encouraging diversity related to ethnic background and disability. As part of that focus, the NHS has set out expectations that, by 2025, all NHS organisations will have Boards and senior management that will reflect the diversity of either (a) their community or (b) their staff body, taking the more diverse of the two as setting the expectation.

For this Trust, the staff base is more diverse than the local demographic, with currently over 22% of staff recording a black or other minority ethnic (BAME) background; there has been a significant improvement in the number of staff disclosing a disability (5.21%) with only 14.28% of staff choosing not to disclose.

In March 2023 the Council was successful in confirming the appointment of an Associate NED identifying as Asian/Asian British and with a disclosed disability.

Whilst the Board is becoming much more diverse, further work is still required to meet the diversity expectations in respect of all protected characteristics. With the departure of Fiona Ryder, there is a gender imbalance within the Non-Executive Directors, with only one female NED remaining on the Board, and is not a reflection of the majority female workforce.

The Trust-wide ethnicity data as of 31 March is as follows:

22.7% BAME

76.8% White/White Other

0.5% have not disclosed.

(Local demographics as of 31 March was around a 10% BAME v 80% White/white other)

<u>Ethnicity Grouping</u>	<u>HC</u>
BAME	2689
Unstated / Not disclosed	66
White	8173
White Other	930

Disability: 5% of staff have declared a disability and non-disclosure has reduced to 14%:

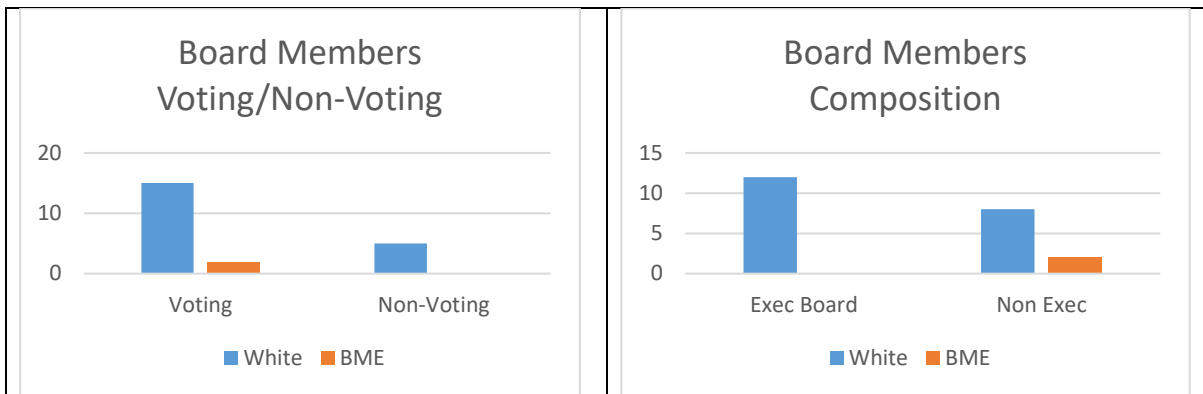
<u>Disability Disclosure</u>	<u>HC</u>
No	9400
Not declared	200
Unspecified	1500
Prefer not to answer	200
Yes	600

At the present time, the Board does not quite meet the diversity expectations in respect of ethnic background; it is believed to meet the requirement in respect of disability:

The breakdown of ethnicity is as follows:

9% BAME

91% White/White Other

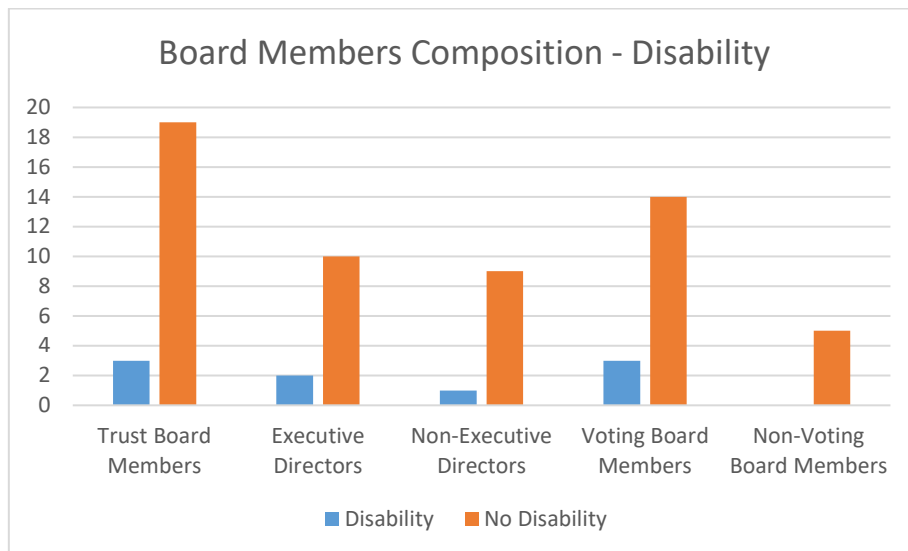


	Exec Board	Non Exec
White	12	8
BME	0	2

	Voting	Non Voting
White	15	5
BME	2	0

And breakdown of disability status is:

3 (13.6%) have declared a disability
 19 (86.4%) have declared no disability



Whilst it would be illegal to engage in positive discrimination in making the appointments, all available steps should be taken to ensure that the opportunities are available and that these appointments are brought to the attention of a very diverse group. This will provide the widest possible range of candidates to give the panel a much better opportunity to secure diversity in the short-list and increase the potential of diverse appointments being made.

Steps previously taken have included the engagement of Cadence Partners, a recruitment consultancy which specialises in the identification of candidates for senior positions with a focus on equity, diversity and inclusion. In addition:

- The opportunity has been brought to the attention of a wider and more diverse range of community groups to increase awareness of the opportunity amongst local communities
- Board and Council members are encouraged to draw these vacancies to the attention of their networks, with a particular emphasis on the desire to make diverse appointments
- In line with the requirements of the NHS Code of Governance, paragraph 5.2, all members of the appointment panel were required to have completed relevant unconscious bias prevention training prior to the first selection meeting. This will be repeated once members of the panel have been confirmed.

For this vacancy, it is proposed that recruitment is managed in-house, securing the support of all existing staff and local networks.

It is advised that the recruitment process should not move to the interview stage if there is insufficient diversity demonstrated by shortlisted applicants.

A draft role description and advert is currently being finalised. The agreed messaging will be reflected in a letter from the Chair to potential applicants and the communications and engagement and recruitment teams are supporting preparation of the recruitment pack.

3. Recruitment timetable

Current terms of office and a proposed recruitment timetable are set out at Appendix 1.

4. Appointment Panel

A panel is being confirmed in line with NHS Code of Governance Section C, 2.6, with governors and/or independent members in the majority, and an external assessor. Members would be involved in long-listing, short-listing and the interview, and would then make recommendations to Council for approval.

Membership of the panel will include the Trust Chair, Director of Governance and Director of People and Organisational Development.

The recruitment process would also be supported by the Trust Secretary and Head of Recruitment.

The panel for future appointments will be confirmed at a later stage.

Appendix 1

Non-Executive Director Recruitment Timetable

Name/Role	Term of Office	Action	Proposed timetable to recruit
Fiona Ryder, NED	First term Leaving the Trust 31 August 2023	Recruit	<p>Paperwork prepared mid-August/EDI advice on graphics to ensure full inclusion for all protected characteristics, to be finalised</p> <p>Appointments & Performance Committee 5 September – recommended for Council approval</p> <p>Council 19 September 2023 – agreement to recruit</p> <p>Ready to advertise post Council/share with all available networks - Wednesday 20 September</p> <p>Confirmed dates:</p> <p>Unconscious bias/recruitment and selection training, all interview panel/reserves – 1.30-3pm, Wednesday 11 October (workforce to provide)</p> <p>Closing date – Sunday 15 October (3.5 weeks)</p> <p>Longlisting – Monday 16 October, to discount candidates that do not meet the role specification</p> <p>Shortlisting – 2pm, Thursday 19 October</p> <p>Selection process</p> <ul style="list-style-type: none"> • Stakeholder events morning of Monday 30 October, dependent on number of shortlisted candidates • Interviews afternoon Monday 30 October <p>Council approval – report prepared and circulated for additional Council in private, 12.30pm Wednesday 8 November</p> <p>Start date 1 December 2023 post employment checks/confirmation that they are a Fit and Proper person</p>

Name/Role	Term of Office	Action	Proposed timetable to recruit
Richard Spencer, NED, Senior Independent Director	Second term 31 October 2024	Recruit	Reconsider engagement of external executive search company to seek maximum benefit of full candidate search for all appointments to be undertaken in 2024 – late 2023/early 2024 meeting of Appointments and Performance Committee to be convened Start March 2024 (Appts&Perf/Council approval already secured Sept23) Council approval July (or additional meeting)
Eddie Bloomfield, NED, chair of Performance and Finance Committee	Second term 31 October 2024	Recruit	Start March 2024 (Appts&Perf/Council approval already secured Sept23) Council approval July (or additional meeting)
Mike Gogarty, NED, chair of Charitable Funds Committee	First term 31 October 2024	Reappoint/ Recruit	Secure initial views from NED; if to be reappointed will not be confirmed until post 2023/24 appraisal May/June 2024
John Humpston, NED, chair of People and Organisational Development Committee and Remuneration and Nomination Committee	First term 31 October 2024	Reappoint/ Recruit	Secure initial views from NED; if to be reappointed will not be confirmed until post 2023/24 appraisal May/June 2024
Helen Taylor, Trust Chair	Second term 31 March 2025	Recruit	Summer 2024 for recruitment by October/November 2024 to secure replacement/alternative options should an appointment not be secured. Will require wider stakeholder engagement panels to meet NHS England requirements
Hussein Khatib, NED, chair of Quality and Performance Committee	Second term 4 April 2025	Recruit	Summer 2024 alongside Chair appointment
Karen Sinnott, Associate NED	Single term 14 April 2025	Recruit	Summer 2024
Usha Sundaram, Associate NED	Single term 14 April 2025	Recruit	Summer 2024
Mark Millar, NED, Audit and Risk Committee Chair	Second term 1 January 2024 to 31 December 2026	Recruit	TBC nearer the time, reappointed for second term confirmed August 2023