

EAST KENT HOSPITALS UNIVERSITY NHS FOUNDATION TRUST

REPORT TO: **COUNCIL OF GOVERNORS MEETING – 7 JULY 2014**

SUBJECT: **REPORT FROM THE NOMINATIONS AND REMUNERATION COMMITTEE**

REPORT FROM: **COMMITTEE CHAIR**

PURPOSE: **Information**

SUMMARY OF COMMITTEE ACTIVITY:

The committee met on the 2nd of June.

The committee reviewed the size, structure, and composition of the board of directors, in particular the balance of skills, knowledge and experience of the non executive directors.

The Board of Directors Remuneration Committee had not concluded its own review at this time so this was not available to the Governors nominations committee but work will be completed soon.

The Committee considered the mandatory and core skills of Non Executive Directors. The Chairman also reminded the Committee of the background and expertise of the current Non Executive Directors. The Committee concluded that there were no gaps in knowledge, skills and expertise of the current Non Executive Director composition.

The Committee also discussed skills that might be an asset in the future such as strategy. These skills may be considered for future non executive appointments.

NED Term Expiries

The committee went on to discuss the forthcoming expiry of Jonathan Spencer's term of office - 31st of October this year.

Jonathan Spencer is without a doubt an asset to the Trust. He has served two terms (6 years in total). The Trust's Constitution states that after completing 2 (3 year terms) Non Executive Directors were subject to annual review of up to a further 3 years (making 9 in total). This was in line with Monitor's Code of Governance which also states the same.

Governors will remember that a default position was agreed for all appointments to go out to competition, unless there are compelling reasons not to go to competition and reappoint.

The Committee recognised there would be a number of NED term expiries late 2015 and 2016, including that of the Chairman. The Committee discussed the benefits of extending Jonathan's appointment for a further year to mitigate some of this risk and to provide advice and assistance with the recruitment of the Trust Chairman which would commence early 2015.

The Committee recognised Jonathan's breadth of understanding of the organisation. In addition, it was important to have continuity over the next year within key projects such as taking forward the clinical strategy over the next year and working with the Finance Director to develop the financial strategy.

The Committee felt that Jonathan's experience would be indispensable at this point in time and a recommendation would be put to the Council to reappoint for a further 1 year term in line with the Trust's Constitution.

SUMMARY OF THE COMMITTEE'S FUTURE WORK PLANS:

The committee will be carrying out further work on the skills mix and recommending a timescale a programme for the appointment of a new chairman and to consider the term expiries of Non Executive Directors during 2015/16.

COUNCIL OF GOVERNORS ACTION REQUIRED:

The Committee asks the Council of Governors to endorse the following recommendations:

- To appoint Jonathan Spencer for a further 1 year term recognising the following rationale: role in appointing the next Chairman; continuity within the clinical strategy; and working with the Finance Director to develop the financial strategy. **Please read the full committee minutes that will be sent to you electronically for further information prior to the Governors meeting.**
- To note the Committee's review of the non executive component of the size, structure, and composition of the board of directors and the conclusion that there were no current gaps in expertise.
- To note that a meeting of the Committee would be convened in February 2015 to consider the term expiries of Non Executive Directors and the Chairman.