

**From:** Zara Hosany, Deputy Chair

**To:** Council of Governors

**Date:** 18 May 2017

**Subject:** Nominations and Conduct Committee Report

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## **1.0 Purpose of the Report**

1.1 To report to the Council on the work of the Nominations and Conduct Committee and seek approval to the Committee's recommendations.

## **2.0 Role of the Council of Governors**

2.1 The Council of Governors is responsible for holding the Non-Executive Directors (NEDs) to account for the performance of the Board. As part of this responsibility, the Council of Governors appoints and removes the Chair and Non-Executive Directors and decides their remuneration, allowances and their other terms and conditions of office.

2.2 This report, therefore, provides a summary of the performance of the Trust for which the Board is responsible and the individual contribution of each NED to its success.

## **3.0 Background**

3.1 The Nominations and Conduct Committee has been established to carry out specific duties on behalf of the Council, including recommending candidates for appointment or re-appointment to the posts of Chair and Non-Executive Director, discussing their annual performance evaluation and remuneration, and promoting Governor standards.

3.2 The membership of the Committee is as follows:

- Marie Gabriel, Trust Chair (Committee Chair)
- Zara Hosany, Deputy Chair (ex-officio member)
- Norbert Lieckfeldt, Public Governor
- Keith Williams, Public Governor
- Neil Wilson, Appointed Governor
- Katherine Corbett, Staff Governor

3.3 The Committee met on 27 April 2017 to discuss the performance of the Trust and undertake the annual evaluation of the Chair and Non-Executive Directors. All members attended the meeting.

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3.4 The Committee noted that the Board's performance for 2016/17 has been exceptional; with its collective stewardship the Trust has continued, amongst other things, to:

- Secure an 'outstanding' CQC rating and be the only mental health and community health services Trust to do so
- Gain the HSJ Trust of the Year award
- Secure a Single Oversight Rating of 2, with a top rating of 1 not being attained as the control total set was not met as to do so would have resulted in an adverse impact on our quality of our services.
- Meet all regulatory and financial requirements
- Maintain and improve international recognition of its quality improvement programme
- Acquire new services in Tower Hamlets
- Engage staff effectively, achieving first nationally for engagement in the staff survey with an increase for Bedfordshire and Luton
- Maintain our top three position for the community patient survey
- Clearly identify the areas where it needs to improve, with coproduced solution and can now consider this improvement at a team level

3.5 In addition to their collective contribution, the Trust Chair and each NED has made an individual contribution to the performance of the Board. The Committee considered in more detail individual appraisals. A summary of key contributions is summarised below.

3.6 It was also confirmed, during the year, that the Chair and all NEDs continue to meet the requirements of the Fit and Proper Person Test.

3.7 Please note the background and experience of each NED is published on our website and is included at Appendix A for the Council's ease of reference.

### 4.0 Annual Evaluation of the Trust Chair

*Marie Gabriel was not present at the Committee when this item was discussed. Jenny Kay joined the meeting to present her report.*

#### **Ms Marie Gabriel - (Appointment term: 01/11/2015 – 31/10/2018)**

4.1 The Committee received a report from Jenny Kay, Senior Independent Director, regarding the performance of Marie Gabriel for the period 1 April 2016 - 31 March 2017. In preparing her report, Jenny sought the views of the Deputy Chair of the Council of Governors, the Non-Executive Directors, and the Chief Executive Officer (CEO).

4.2 The Committee noted that Marie's personal contribution included being:

- Chair of the Board
- Chair of the Council of Governors
- Chair of the People's Participation Committee

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- Member of the Board's Appointments and Remuneration Committee
- Member of the Quality Assurance Committee
- Chair of the Consultant Advisory Appointments Committee

4.3 The Committee considered in detail Marie's achievements this year and were impressed with her exceptional performance. No areas of concern were identified.

4.4 The Council is asked to **NOTE** the outcome of the annual evaluation of the Chair.

### **5.0 Annual evaluation of the Non-Executive Directors**

5.1 The Committee received a report from Marie Gabriel regarding the performance of each Non-Executive Director for the period 1 April 2016 – 31 March 2017. Marie had met with each Non-Executive Director to carry out their annual appraisal and set their objectives for 2017/18. A summary of their key personal contributions to the success of the Trust is set out below:

#### **Ms Millie Banerjee - (Appointment term: 01/10/2014 – 30/09/2017)**

- Chair, Finance, Business and Investment Committee (from 1 November 2016)
- Lead NED for Information Technology
- Lead NED for commercial strategy
- Lead NED Service User employment

#### **Ms Mary Elford - (Appointment term: 01/02/2012 – 31/01/2018)**

- Vice Chair of the Trust Board
- Chair, Quality Assurance Committee
- Member, Audit Committee
- Lead NED for Quality

#### **Ms Jenny Kay – (Appointment term: 01/11/2014 – 31/10/2017)**

- Senior Independent Director
- Chair, Mental Health Act Committee
- Member, Quality Assurance Committee
- Member, People's Participation Committee
- Clinical Lead NED

#### **Mr Kingsley Peter – (Appointment term: 01/11/2016 – 31/10/2017)**

- Member, Appointments and Remuneration Committee
- Member, Audit Committee (Audit Chair from Jan-Mar 2016)
- Member, Finance, Business and Investment Committee (FBIC Chair until 31 October 2016)

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### **Mr Robert Taylor – (Appointment term: 01/10/2016 – 30/09/2019)**

- Chair, Appointments & Remuneration Committee (from 1 November 2016)
- Chair, Council of Governors' Significant Business Committee
- Member, Finance, Business and Investment Committee

### **Mr Paul Hendrick – (Appointment term: 01/04/2016 – 31/03/2019)**

- Chair, Audit Committee
- Member, Business, Finance and Investment Committee
- Lead NED for Corporate Governance

### **Mr Ken Batty – (Appointment term: 01/11/2016 – 31/10/2019)**

- Chair, Joint Staff Consultative Committee
- Member, Appointments and Remuneration Committee
- Member, Quality Assurance Committee
- Chair of Consultant Appointment Panels
- Lead NED for Human Resources and Organisational Development

5.2 The Committee considered in more detail individual appraisals and were impressed with the performance of each Non-Executive Director. No concerns were identified for the Council's attention.

5.3 The Council is asked to **NOTE** the outcome of the annual evaluation of the Non-Executive Directors.

## **6.0 Non-Executive Director Re-appointments**

6.1 Non-Executive Directors are initially appointed for up to two three-year terms, and then are subject to annual re-appointment. There is no restriction in the Constitution or in law on how many terms NEDs can serve. There is only good practice guidance. As discussed at the Council meeting in March, the Council will be considering in July Governor terms and alongside it a possible third extended term for NEDs instead of annual re-appointments to ensure Board stability.

6.2 Millie Banerjee's first three-year term of office ends on 31 October 2017. Given Millie's performance and the continued need for her strategic skills and experience, the Committee recommends the re-appointment of Millie Banerjee for a second three-year term from 1 November 2017 to 31 October 2020.

6.3 Jenny Kay's first three-year term of office ends on 31 October 2017. Given Jenny's performance and the continued need for her clinical expertise on the Board, the Committee recommends the re-appointment of Jenny Kay for a second three-year term from 1 November 2017 to 31 October 2020.

6.4 Kingsley Peter's term of office ends on 31 October 2017. Kingsley has served on the Board since 2006 and thus has been subject to re-

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appointment on an annual basis. Kingsley is a chartered accountant and in addition brings commercial and charity and voluntary experience on the Board. Given Kingsley's performance and unique expertise, as well as the need to ensure stability on the Board, the Committee recommends his re-appointment for a final one-year term from 1 November 2017 to 31 October 2018.

- 6.5 Mary Elford's second three-year term of office ends on 31 January 2018. Given Mary's performance, the Committee does not have any hesitation recommending her for re-appointment and will come back to the Council in July to seek approval once a decision with regard to extended terms has been reached.
- 6.6 The Council is asked to **APPROVE** the recommendation of the Nominations and Conduct Committee to re-appoint Millie Banerjee and Jenny Kay for a second three-year term, and Kingsley Peter for a final one-year term. Approval on Marie Gabriel's and Mary Elford's re-appointments will be sought at the July Council meeting.

### 7.0 Non-Executive Director Remuneration

- 7.1 The Nominations and Conduct Committee is responsible for reviewing the remuneration of Non-Executive Directors and the Trust Chair on an annual basis. The Committee considered an options report from the Director of Human Resources and Organisation Development with benchmarking and other background information from other Foundation Trusts.
- 7.2 The Committee noted that Non-Executive Directors have had no cost of living or other remuneration increases since 2013, with the exception of the Trust Chair who received a 1% uplift in 2015. Since that time the Trust has achieved an Outstanding CQC rating, grown in size, and achieved the highest rating in the Well Led review. The Non-Executive Directors have played a key role in these achievements.
- 7.3 The Committee also noted that during this time, staff received 1% cost of living increase annually.
- 7.4 Following careful consideration and in depth discussion, the Nominations and Conduct Committee decided to recommend to the Council to **APPROVE** 1% cost of living pay award for all Non-Executive Directors and the Chair and that this is a consolidated pay award.

### 8.0 Governor Standards

- 8.1 At its meeting on 27 April, the Committee also reviewed the Council of Governors' Attendance Register, considered Governor responses to communications with the Chair and Membership Office regarding lack of attendance, and agreed appropriate actions in line with Council delegation.

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### 9.0 Action being requested

8.1 The Council is asked to **RECEIVE** the report and:

- a) **NOTE** the outcome of the annual evaluation of the Chair;
- b) **NOTE** the outcome of the annual evaluation of the Non-Executive Directors;
- c) **APPROVE** the recommendation of the Nominations and Conduct Committee to re-appoint the Non-Executive Directors Millie Banerjee and Jenny Kay for a second three-year term (1 November 2017 to 31 October 2020), and Kingsley Peter for a final one-year term (1 November 2017 to 31 October 2018), as set out in paragraphs 6.1 to 6.6 above.
- d) **NOTE** that the re-appointment of Marie Gabriel and Mary Elford will be brought to the Council for approval at the July meeting;
- e) **APPROVE** the recommendation of the Nominations and Conduct Committee to 1% cost of living pay award for all Non-Executive Directors and the Chair and that this is a consolidated pay award, as set out at paragraphs 7.1 to 7.4 above; and
- f) **NOTE** the Governor Standards update.

## Non-Executive Director Backgrounds



### Marie Gabriel, Trust Chair, Appointed to the Trust Board in October 2012

- Chair of NHS East London and the City from March 2011 - March 2012 and then Chair of North East London and the City until October 2012
  - Chair of NHS Newham from 2003 - 2011, previously Vice Chair of Newham University Hospital Trust
  - Chair of Newham Community Health Council
  - Over 20 years in senior roles within local government and the Third Sector
  - Runs her own consultancy company specialising in action research, the delivery of regeneration projects and developing the not for profit sector
  - Recognised by London Borough of Newham in 2010, awarded Honorary Freedom of the Borough
  - Recognised on the Health Service Journal's inaugural 'Inspirational Women' list.
  - **Qualifications: BA (Hons) DMS**
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### Mary Elford, Vice Chair, Appointed to the Trust Board in February 2012

- Non-Executive Director Health Education England (September 2013 - present)
  - Non-Executive Director Queen Mary Bioenterprises (March 2014 – present)
  - Council member General Pharmaceutical Council (April 2013 - present)
  - National Advisory Committee on Clinical Excellence Awards (2008 - present)
  - Non-Executive Director, Barts and the London NHS Trust (2002 - 2012)
  - Council Member, Queen Mary, University of London (2004 - 2013)
  - Senior roles with John Lewis Partnership (1985 - 1999)
  - **Qualifications: BA (Hons) Oxford**
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### **Jennifer (Jenny) Kay, Senior Independent Director, Appointed to the Trust Board in October 2014**

- Jenny has had a long and fulfilling career in nursing, combining 15 years in front line clinical roles (culminating in her role as a children's ward sister at King's College Hospital)
  - Spent 18 years in management, notably as Director of Nursing with Dartford and Gravesham NHS Trust (2001 – November 2012)
  - Experience at the Department of Health, and secondments to nursing and quality leadership roles in a strategic health authority (NHS South) and Merton Clinical Commissioning Group
  - Experience of delivering a wide range of quality improvements in clinical practice (infection control, skin care, falls prevention for example)
  - Experience of Board level governance, participating in and chairing many committees and of supporting the work of Board level committees as lead Executive Director, including quality and safety, equality and diversity, safeguarding, patient experience, and patient involvement committees.
  - **Qualifications: BA(Hons), RGN, RSCN, MBA**
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### **Urmila (Millie) Banerjee CBE, Non-Executive Director**

- Millie Banerjee has had a long and varied career in the private and public sectors.
- Currently she is the Chair of the British Transport Police Authority, a member of the Board of the College of Policing and of the Police ICT Board.
- She also chairs Working Links, a private sector company, working with the Government in supporting long term unemployed and disabled citizens.
- She spent 25 years with BT in various senior roles including operations, large scale system implementation, product design and consumer service.



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- Following her career in BT, she was the COO of a global mobile satellite company. She continued her association with the communications sector as a non-executive director of Ofcom for 9 years.
  - She has held several other non-executive appointments including a non-executive director of the Cabinet Office, Channel 4 TV, the Prisons Board, and the Peabody Trust.
  - Previously she was on the Board of Newham PCT and Barts Health
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### **Kingsley Peter, Non-Executive Director, Appointed to the Trust Board in November 2006**

- Chartered Certified Accountant
  - Executive Director of Finance and Corporate Services for the Adolescent and Children's Trust (TACT), the UK's largest national foster care services and adoption charity.
  - Company Secretary - TACT
  - Formerly, Area Finance Controller for the South East Area (Engineering) of the National Grid.
  - Formerly, Non-Executive Director, Charitable Assurance and Regulatory Board, Places for People Group and Former Chair of Kush Housing Association
  - Board Member-Consortium of Voluntary Adoption Agencies
  - Extensive experience of financial management and business development.
  - **Qualifications: FCCA, MBA**
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### **Robert Taylor, Non-Executive Director, Appointed to the Trust Board in October 2013**

- Former Chief Executive of Kleinwort Benson Bank

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- Chair of the University for Creative Arts in Kent and Surrey
  - Board member (formerly Chair) at the Whitechapel Gallery in east London
  - Non-Executive Director of Truman's Brewery
  - Head of Wealth Management & Private Banking Supervision at the Financial Conduct Authority
  - Investor and adviser to companies involved in virtual data storage, on-line therapies, on-line investment management and multi-media publishing and digital gaming technology
  - Public speaker at financial services conferences
  - Outspoken supporter of LGBT career opportunities in the City.
  - **Qualifications: MSJ Columbia University**
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### **Paul Hendrick, Non-Executive Director, Appointed to the Trust Board in April 2016**

- Chartered Accountant with over thirty years international experience in financial management, treasury and corporate finance with major public companies such as Akzo Nobel NV, Courtaulds plc and the British National Oil Corporation
  - Extensive experience as a non-executive director in the public sector in the fields of regional economic development, social housing and public health
  - Currently non-executive director Greater London Enterprise Ltd., the regional economic development company owned by all 33 London local authorities,
  - Chair of the group's operating subsidiary and of the Audit and Nominations Committees and Senior Independent Director
  - Director and trustee of ActiveNewham, the leisure trust managing Newham's leisure centres, parks and sports facilities.
  - **Qualifications: MSc, MBA, FCA, MCT, CF**
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### Ken Batty, Appointed to the Trust Board in October 2016

- Ken is a lay member of the Speaker's Committee for the Independent Parliamentary Standards Authority.
  - Ken runs his own company providing HR consultancy to companies.
  - He worked for 30 years in the technology sector – at IBM and at Lenovo. At Lenovo he ran the Human Resources service in Europe, Middle East and Africa; and then in Asia Pacific.
  - He was one of the founders of the Albert Kennedy Trust, the UK's LGBT Youth Homelessness Charity.
  - In 2015 he was very proud to be on the Financial Times list of the global top 100 most influential LGBT people in business.
  - **Qualifications: BA (Hons)**
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